

Calendar No. 299

108TH CONGRESS
1ST SESSION

S. J. RES. 16

[Report No. 108–159]

To approve the “Compact of Free Association, as amended between the Government of the United States of America and the Government of the Federated States of Micronesia”, and the “Compact of Free Association, as amended between the Government of the United States of America and the Government of the Republic of the Marshall Islands”, and otherwise to amend Public Law 99–239, and to appropriate for the purposes of amended Public Law 99–239 for fiscal years ending on or before September 30, 2023, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 14, 2003

Mr. DOMENICI (for himself, Mr. BINGAMAN, Mr. CRAIG, and Mr. AKAKA) (by request) introduced the following joint resolution; which was read twice and referred to the Committee on Energy and Natural Resources

OCTOBER 1, 2003

Reported by Mr. DOMENICI, with amendments and an amendment to the preamble

[Omit the part struck through and insert the part printed in *italic*]

JOINT RESOLUTION

To approve the “Compact of Free Association, as amended between the Government of the United States of America and the Government of the Federated States of Micronesia”, and the “Compact of Free Association, as amended between the Government of the United States of

America and the Government of the Republic of the Marshall Islands”, and otherwise to amend Public Law 99–239, and to appropriate for the purposes of amended Public Law 99–239 for fiscal years ending on or before September 30, 2023, and for other purposes.

Whereas the United States, in accordance with section 231 of the Compact of Free Association set forth in Title II of Public Law 99–239, January 14, 1986, 99 Stat. 1770, entered into negotiations with the Governments of the Federated States of Micronesia and the Republic of the Marshall Islands; and

Whereas these negotiations, in accordance with section 431 of the Compact, resulted in the “Compact of Free Association, as amended between the Government of the United States of America and the Government of the Federated States of Micronesia”, and the “Compact of Free Association, as amended between the Government of the United States of America and the Government of the Republic of the Marshall Islands”, which, together with their related agreements, were signed by the Government of the United States and the Governments of the Federated States of Micronesia and the Republic of the Marshall Islands on May 14, and April 30, 2003, respectively: Now, therefore, be it

Whereas the United States (in accordance with the Trusteeship Agreement for the Trust Territory of the Pacific Islands, the United Nations Charter, and the objectives of the international trusteeship system of the United Nations) fulfilled its obligations to promote the development of the people of the Trust Territory toward self-government or independence as appropriate to the particular circumstances of the

Trust Territory and its peoples and the freely expressed wishes of the peoples concerned;

Whereas the United States, the Federated States of Micronesia, and the Republic of the Marshall Islands entered into the Compact of Free Association set forth in title II of Public Law 99–239, January 14, 1986, 99 Stat. 1770, to create and maintain a close and mutually beneficial relationship;

Whereas the United States, in accordance with section 231 of the Compact of Free Association entered into negotiations with the Governments of the Federated States of Micronesia and the Republic of the Marshall Islands to provide continued United States assistance and to reaffirm its commitment to this close and beneficial relationship; and

Whereas these negotiations, in accordance with section 431 of the Compact, resulted in the “Compact of Free Association, as amended between the Government of the United States of America and the Government of the Federated States of Micronesia”, and the “Compact of Free Association, as amended between the Government of the United States of America and the Government of the Republic of the Marshall Islands”, which, together with their related agreements, were signed by the Government of the United States and the Governments of the Federated States of Micronesia and the Republic of the Marshall Islands on May 14, and April 30, 2003, respectively: Now, therefore, be it

1 *Resolved by the Senate and House of Representatives*
 2 *of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This joint resolution, together
 5 with the Table of Contents in subsection (b) of this sec-

tion, may be cited as the “Compact of Free Association
Amendments Act of 2003”.

(b) TABLE OF CONTENTS.—The table of contents for
this joint resolution is as follows:

TITLE I—APPROVAL OF U.S.-FSM COMPACT AND U.S.-RMI COM-
PACT; INTERPRETATION OF, AND UNITED STATES POLICIES
REGARDING, U.S.-FSM COMPACT AND U.S.-RMI COMPACT; SUP-
PLEMENTAL PROVISIONS

Sec. 101. Approval of U.S.-FSM Compact of Free Association and U.S.-RMI
Compact of Free Association:

- (a) Federated States of Micronesia.
- (b) Republic of the Marshall Islands.
- (c) References to the Compact, the U.S.-FSM Compact and the
U.S.-RMI Compact.
- (d) Amendment, Change, or Termination in the U.S.-FSM
Compact, the U.S.-RMI Compact and Certain Agreements.
- (e) Subsidiary Agreement Deemed Bilateral.
- (f) Entry Into Force of Future Amendments to Subsidiary
Agreements.

Sec. 102. Agreements With Federated States of Micronesia:

- (a) Law Enforcement Assistance.
- (b) Agreement on Audits.

Sec. 103. Agreements With and Other Provisions Related to the Republic of the
Marshall Islands:

- (a) Law Enforcement Assistance.
- (b) EJIT.
- (c) Section 177 Agreement.
- (d) Nuclear Test Effects.
- (e) Espousal Provisions.
- (f) DOE Radiological Health Care Program; USDA Agricul-
tural and Food Programs.
- (g) Rongelap.
- (h) Four Atoll Health Care Program.
- (i) Enjebi Community Trust Fund.
- (j) Bikini Atoll Cleanup.
- (k) Agreement on Audits.

Sec. 104. Interpretation of and United States Policy Regarding U.S.-FSM Com-
pact and U.S.-RMI Compact:

- (a) Human Rights.
- (b) Immigration and Passport Security.
- (c) Nonalienation of Lands.
- (d) Nuclear Waste Disposal.
- (e) Effect of U.S.-FSM Compact and U.S.-RMI Compact on
U.S. Areas; Related Authorization and Continuing Appro-
priation.
- (f) Foreign Loans.

Sec. 105. Supplemental Provisions:

- (a) Domestic Program Requirements.
- (b) Relations With the Federated States of Micronesia and the Republic of the Marshall Islands.
- (c) Continuing Trust Territory Authorization.
- (d) Survivability.
- (e) Noncompliance Sanctions.
- (f) Continuing Programs and Laws.
- (g) College of Micronesia.
- (h) Trust Territory Debts to U.S. Federal Agencies.
- (i) Use of DOD Medical Facilities.
- (j) Technical Assistance.
- (k) Prior Service Benefits Program.
- (l) Indefinite Land Use Payments.
- (m) Communicable Disease Control Program.
- (n) User Fees.
- (o) Treatment of Judgments of Courts of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.

Sec. 106. Construction Contract Assistance.

- (a) Assistance to U.S. Firms.
- (b) Authorization of Appropriations.

Sec. 107. Limitations.
Prohibition.

Sec. 108. Compensatory Adjustments.
(a) Additional Programs and Services.
(b) Further Amounts.

Sec. 109. Authorization and Continuing Appropriation.

Sec. 110. Payment of Citizens of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau Employed by the Government of the United States in the Continental United States.

TITLE H—COMPACTS OF FREE ASSOCIATION WITH THE FEDERATED STATES OF MICRONESIA AND THE REPUBLIC OF THE MARSHALL ISLANDS

Sec. 201. Compacts of Free Association, as Amended.

- (a) Compact of Free Association as amended between the Government of the United States of America and the Government of the Federated States of Micronesia.

Title One—Governmental Relations

- Article I—Self-Government.
- Article II—Foreign Affairs.
- Article III—Communications.
- Article IV—Immigration.
- Article V—Representation.
- Article VI—Environmental Protection.
- Article VII—General Legal Provisions.

Title Two—Economic Relations

Article I—Grant Assistance.
 Article II—Services and Program Assistance.
 Article III—Administrative Provisions.
 Article IV—Trade.
 Article V—Finance and Taxation.

Title Three—Security and Defense Relations

Article I—Authority and Responsibility.
 Article II—Defense Facilities and Operating Rights.
 Article III—Defense Treaties and International Security Agreements.
 Article IV—Service in Armed Forces of the United States.
 Article V—General Provisions.

Title Four—General Provisions

Article I—Approval and Effective Date.
 Article II—Conference and Dispute Resolution.
 Article III—Amendment.
 Article IV—Termination.
 Article V—Survivability.
 Article VI—Definition of Terms.
 Article VII—Concluding Provisions.
 (b) Compact of Free Association as amended between the Government of the United States of America and the Government of the Republic of the Marshall Islands.

Title One—Governmental Relations

Article I—Self-Government.
 Article II—Foreign Affairs.
 Article III—Communications.
 Article IV—Immigration.
 Article V—Representation.
 Article VI—Environmental Protection.
 Article VII—General Legal Provisions.

Title Two—Economic Relations

Article I—Grant Assistance.
 Article II—Services and Program Assistance.
 Article III—Administrative Provisions.
 Article IV—Trade.
 Article V—Finance and Taxation.

Title Three—Security and Defense Relations

Article I—Authority and Responsibility.
 Article II—Defense Facilities and Operating Rights.
 Article III—Defense Treaties and International Security Agreements.
 Article IV—Service in Armed Forces of the United States.
 Article V—General Provisions.

Title Four—General Provisions

Article I—Approval and Effective Date.

Article II—Conference and Dispute Resolution.

Article III—Amendment.

Article IV—Termination.

Article V—Survivability.

Article VI—Definition of Terms.

Article VII—Concluding Provisions.

1 **TITLE I—APPROVAL OF U.S.-FSM**
 2 **COMPACT AND U.S.-RMI COM-**
 3 **PACT; INTERPRETATION OF,**
 4 **AND U.S. POLICIES REGARD-**
 5 **ING, U.S.-FSM COMPACT AND**
 6 **U.S.-RMI COMPACT; SUPPLE-**
 7 **MENTAL PROVISIONS**

8 **SEC. 101. APPROVAL OF U.S.-FSM COMPACT OF FREE ASSO-**
 9 **CIATION AND THE U.S.-RMI COMPACT OF**
 10 **FREE ASSOCIATION; REFERENCES TO SUB-**
 11 **SIDIARY AGREEMENTS OR SEPARATE AGREE-**
 12 **MENTS.**

13 (a) FEDERATED STATES OF MICRONESIA.—The
 14 Compact of Free Association, as amended with respect to
 15 the Federated States of Micronesia and signed by the
 16 United States and the Government of the Federated
 17 States of Micronesia and set forth in Title II (section
 18 201(a)) of this joint resolution, is hereby approved, and
 19 Congress hereby consents to the subsidiary agreements
 20 and amended subsidiary agreements listed in section 462
 21 of the U.S.-FSM Compact. Subject to the provisions of

1 this joint resolution, the President is authorized to agree,
 2 in accordance with section 411 of the U.S.-FSM Compact,
 3 to an effective date for and thereafter to implement such
 4 U.S.-FSM Compact.

5 (b) REPUBLIC OF THE MARSHALL ISLANDS.—The
 6 Compact of Free Association, as amended with respect to
 7 the Republic of the Marshall Islands and signed by the
 8 United States and the Government of the Republic of the
 9 Marshall Islands and set forth in Title II (section 201(b))
 10 of this joint resolution, is hereby approved, and Congress
 11 hereby consents to the subsidiary agreements and amend-
 12 ed subsidiary agreements listed in section 462 of the U.S.-
 13 RMI Compact. Subject to the provisions of this joint reso-
 14 lution, the President is authorized to agree, in accordance
 15 with section 411 of the U.S.-RMI Compact, to an effective
 16 date for and thereafter to implement such U.S.-RMI Com-
 17 pact.

18 (c) REFERENCES TO THE COMPACT, THE U.S.-FSM
 19 COMPACT, AND THE U.S.-RMI COMPACT; REFERENCES
 20 TO SUBSIDIARY AGREEMENTS OR SEPARATE AGREE-
 21 MENTS.—

22 (1) Any reference in this joint resolution (ex-
 23 cept references in Title II) to “the Compact” shall
 24 be treated as a reference to the Compact of Free As-
 25 sociation set forth in title II of Public Law 99-239,

1 January 14, 1986, 99 Stat. 1770. Any reference in
2 this joint resolution to the “U.S.-FSM Compact”
3 shall be treated as a reference to the Compact of
4 Free Association, as amended between the Govern-
5 ment of the United States of America and the Gov-
6 ernment of the Federated States of Micronesia and
7 set forth in Title II (section 201(a)) of this joint res-
8 olution. Any reference in this joint resolution to the
9 “U.S.-RMI Compact” shall be treated as a reference
10 to the Compact of Free Association, as amended be-
11 tween the Government of the United States of
12 America and the Government of the Republic of the
13 Marshall Islands and set forth in Title II (section
14 201(b)) of this joint resolution.

15 (2) Any reference to the term “subsidiary
16 agreements” or “separate agreements” in this joint
17 resolution shall be treated as a reference to agree-
18 ments listed in section 462 of the U.S.-FSM Com-
19 pact and the U.S.-RMI Compact, and any other
20 agreements that the United States may from time to
21 time enter into with either the government of the
22 Federated States of Micronesia or the government of
23 the Republic of the Marshall Islands, or with both
24 such governments in accordance with the provisions

1 of the U.S.-FSM Compact and the U.S.-RMI Com-
 2 pact.

3 ~~(d) AMENDMENT, CHANGE, OR TERMINATION IN THE~~
 4 ~~U.S.-FSM COMPACT AND U.S.-RMI COMPACT AND CER-~~
 5 ~~TAIN AGREEMENTS.—~~

6 (1) Any amendment, change, or termination by
 7 mutual agreement or by unilateral action of the Gov-
 8 ernment of the United States of all or any part of
 9 the U.S.-FSM Compact or U.S.-RMI Compact shall
 10 not enter into force until after Congress has incor-
 11 porated it in an Act of Congress.

12 (2) The provisions of paragraph (1) shall
 13 apply—

14 (A) to all actions of the Government of the
 15 United States under the U.S.-FSM Compact or
 16 U.S.-RMI Compact including, but not limited
 17 to, actions taken pursuant to sections 431, 441,
 18 or 442;

19 (B) to any amendment, change, or termi-
 20 nation in the Agreement Between the Govern-
 21 ment of the United States and the Government
 22 of the Federated States of Micronesia Regard-
 23 ing Friendship, Cooperation and Mutual Secu-
 24 rity Concluded Pursuant to Sections 321 and
 25 323 of the Compact of Free Association re-

1 ferred to in section 462(a)(2) of the U.S.-FSM
 2 Compact and the Agreement Between the Gov-
 3 ernment of the United States and the Govern-
 4 ment of the Marshall Islands Regarding Mutual
 5 Security Concluded Pursuant to Sections 321
 6 and 323 of the Compact of Free Association re-
 7 ferred to in section 462(a)(5) of the U.S.-RMI
 8 Compact;

9 (C) to any amendment, change, or termi-
 10 nation of the agreements concluded pursuant to
 11 Compact section 177, and section 215(a) of the
 12 U.S.-FSM Compact and section 216(a) of the
 13 U.S.-RMI Compact, the terms of which are in-
 14 corporated by reference into the U.S.-FSM
 15 Compact and the U.S.-RMI Compact; and

16 (D) to the following subsidiary agreements,
 17 or portions thereof: Articles III, IV and X of
 18 the agreement referred to in section 462(b)(6)
 19 of the U.S.-RMI Compact:

20 (i) Article III and IV of the agree-
 21 ment referred to in section 462(b)(6) of
 22 the U.S.-FSM Compact.

23 (ii) Articles VI, XV, and XVII of the
 24 agreement referred to in section 462(b)(7)

1 of the U.S.-FSM Compact and U.S.-RMI
2 Compact.

3 (c) ~~SUBSIDIARY AGREEMENTS DEEMED BILAT-~~
4 ~~ERAL.~~—For purposes of implementation of the U.S.-FSM
5 Compact and the U.S.-RMI Compact and this joint resolu-
6 tion, the Agreement Concluded Pursuant to Section 234
7 of the Compact of Free Association and referred to in sec-
8 tion 462(a)(1) of the U.S.-FSM Compact and section
9 462(a)(4) of the U.S.-RMI Compact shall be deemed to
10 be a bilateral agreement between the United States and
11 each other party to such subsidiary agreement. The con-
12 sent or concurrence of any other party shall not be re-
13 quired for the effectiveness of any actions taken by the
14 United States in conjunction with either the Federated
15 States of Micronesia or the Republic of the Marshall Is-
16 lands which are intended to affect the implementation,
17 modification, suspension, or termination of such sub-
18 sidiary agreement (or any provision thereof) as regards
19 the mutual responsibilities of the United States and the
20 party in conjunction with whom the actions are taken.

21 (f) ~~ENTRY INTO FORCE OF FUTURE AMENDMENTS~~
22 ~~TO SUBSIDIARY AGREEMENTS.~~—No agreement between
23 the United States and the government of either the Fed-
24 erated States of Micronesia or the Republic of the Mar-
25 shall Islands which would amend, change, or terminate

1 any subsidiary agreement or portion thereof, other than
 2 those set forth in subsection (d) of this section shall enter
 3 into force until after the President has transmitted such
 4 agreement to the President of the Senate and the Speaker
 5 of the House of Representatives together with an expla-
 6 nation of the agreement and the reasons therefor. In the
 7 case of the agreement referred to in section 462(b)(3) of
 8 the U.S.-FSM Compact and the U.S.-RMI Compact, such
 9 transmittal shall include a specific statement by the Sec-
 10 retary of Labor as to the necessity of such amendment,
 11 change, or termination, and the impact thereof.

12 **SEC. 102. AGREEMENTS WITH FEDERATED STATES OF MI-**
 13 **CRONESIA.**

14 (a) LAW ENFORCEMENT ASSISTANCE.—

15 (1) TECHNICAL AND TRAINING ASSISTANCE.—

16 Pursuant to sections 222 and 224 of the U.S.-FSM
 17 Compact, the United States shall provide non-reim-
 18 bursable technical and training assistance as appro-
 19 priate, including training and equipment for postal
 20 inspection of illicit drugs and other contraband, to
 21 enable the Government of the Federated States of
 22 Micronesia to develop and adequately enforce laws of
 23 the Federated States of Micronesia and to cooperate
 24 with the United States in the enforcement of crimi-
 25 nal laws of the United States. Funds appropriated

1 pursuant to section 105(j) of this title may be used
 2 to reimburse State or local agencies providing such
 3 assistance.

4 (b) AGREEMENT ON AUDITS.—The Comptroller Gen-
 5 eral (and his duly authorized representatives) shall have
 6 the authorities necessary to carry out his responsibilities
 7 under section 232 of the U.S.-FSM Compact and the
 8 agreement referred to in section 462(b)(4) of the U.S.-
 9 FSM Compact, including the following authorities:

10 (1) GENERAL AUTHORITY OF THE COMP-
 11 TROLLER GENERAL TO AUDIT.—

12 (A) The Comptroller General of the United
 13 States (and his duly authorized representatives)
 14 shall have the authority to audit—

15 (i) all grants, program assistance, and
 16 other assistance provided to the Govern-
 17 ment of the Federated States of Micro-
 18 nesia under Articles I and II of Title Two
 19 of the U.S.-FSM Compact; and

20 (ii) any other assistance provided by
 21 the Government of the United States to
 22 the Government of the Federated States of
 23 Micronesia.

24 Such authority shall include authority for the
 25 Comptroller General to conduct or cause to be

1 conducted any of the audits provided for in sec-
 2 tion 232 of the U.S.-FSM Compact. The au-
 3 thority provided in this paragraph shall con-
 4 tinue for at least three years after the last such
 5 grant has been made or assistance has been
 6 provided.

7 (B) The Comptroller General (and his duly
 8 authorized representatives) shall also have au-
 9 thority to review any audit conducted by or on
 10 behalf of the Government of the United States.
 11 In this connection, the Comptroller General
 12 shall have access to such personnel and to such
 13 records, documents, working papers, automated
 14 data and files, and other information relevant
 15 to such review.

16 (2) COMPTROLLER GENERAL ACCESS TO
 17 RECORDS.—

18 (A) In carrying out paragraph (1), the
 19 Comptroller General (and his duly authorized
 20 representatives) shall have such access to the
 21 personnel and (without cost) to records, docu-
 22 ments, working papers, automated data and
 23 files, and other information relevant to such au-
 24 dits. The Comptroller General may duplicate
 25 any such records, documents, working papers,

1 automated data and files, or other information
2 relevant to such audits.

3 (B) Such records, documents, working pa-
4 pers, automated data and files, and other infor-
5 mation regarding each such grant or other as-
6 sistance shall be maintained for at least three
7 years after the date such grant or assistance
8 was provided and in a manner that permits
9 such grants, assistance, and payments to be ac-
10 counted for distinct from any other funds of the
11 Government of the Federated States of Micro-
12 nesia.

13 (3) STATUS OF COMPTROLLER GENERAL REP-
14 REPRESENTATIVES.—The Comptroller General and his
15 duly authorized representatives shall be immune
16 from civil and criminal process relating to words
17 spoken or written and all acts performed by them in
18 their official capacity and falling within their func-
19 tions, except insofar as such immunity may be ex-
20 pressly waived by the Government of the United
21 States. The Comptroller General and his duly au-
22 thorized representatives shall not be liable to arrest
23 or detention pending trial, except in the case of a
24 grave crime and pursuant to a decision by a com-
25 petent judicial authority, and such persons shall

1 enjoy immunity from seizure of personal property;
 2 immigration restrictions, and laws relating to alien
 3 registration, fingerprinting, and the registration of
 4 foreign agents. Such persons shall enjoy the same
 5 taxation exemptions as are set forth in Article 34
 6 of the Vienna Convention on Diplomatic Relations.
 7 The privileges, exemptions and immunities accorded
 8 under this paragraph are not for the personal ben-
 9 efit of the individuals concerned but are to safeguard
 10 the independent exercise of their official functions.
 11 Without prejudice to those privileges, exemptions
 12 and immunities, it is the duty of all such persons
 13 to respect the laws and regulations of the Govern-
 14 ment of the Federated States of Micronesia.

15 (4) AUDITS DEFINED.—As used in this sub-
 16 section, the term “audits” includes financial, pro-
 17 gram, and management audits, including deter-
 18 mining—

19 (A) whether the Government of the Fed-
 20 erated States of Micronesia has met the re-
 21 quirements set forth in the U.S.-FSM Compact,
 22 or any related agreement entered into under the
 23 U.S.-FSM Compact, regarding the purposes for
 24 which such grants and other assistance are to
 25 be used; and

1 (B) the propriety of the financial trans-
 2 actions of the Government of the Federated
 3 States of Micronesia pursuant to such grants or
 4 assistance.

5 (5) COOPERATION BY FEDERATED STATES OF
 6 MICRONESIA.—The Government of the Federated
 7 States of Micronesia will cooperate fully with the
 8 Comptroller General of the United States in the con-
 9 duct of such audits as the Comptroller General de-
 10 termines necessary to enable the Comptroller Gen-
 11 eral to fully discharge his responsibilities under this
 12 joint resolution.

13 **SEC. 103. AGREEMENTS WITH AND OTHER PROVISIONS RE-**
 14 **LATED TO THE REPUBLIC OF THE MARSHALL**
 15 **ISLANDS.**

16 (a) LAW ENFORCEMENT ASSISTANCE.—

17 (1) TECHNICAL AND TRAINING ASSISTANCE.—
 18 Pursuant to sections 222 and 224 of the U.S.-RMI
 19 Compact, the United States shall provide non-reim-
 20 bursable technical and training assistance as appro-
 21 priate, including training and equipment for postal
 22 inspection of illicit drugs and other contraband, to
 23 enable the Government of the Marshall Islands to
 24 develop and adequately enforce laws of the Marshall
 25 Islands and to cooperate with the United States in

1 the enforcement of criminal laws of the United
2 States. Funds appropriated pursuant to section
3 105(j) of this title may be used to reimburse State
4 or local agencies providing such assistance.

5 (b) EJIT.—

6 (1) In the joint resolution of January 14, 1986
7 (Public Law 99-239) Congress provided that the
8 President of the United States shall negotiate with
9 the Government of the Marshall Islands an agree-
10 ment whereby, without prejudice as to any claims
11 which have been or may be asserted by any party as
12 to rightful title and ownership of any lands on Ejit,
13 the Government of the Marshall Islands shall assure
14 that lands on Ejit used as of January 1, 1985, by
15 the people of Bikini, will continue to be available
16 without charge for their use, until such time as Bi-
17 kini is restored and inhabitable and the continued
18 use of Ejit is no longer necessary, unless a Marshall
19 Islands court of competent jurisdiction finally deter-
20 mines that there are legal impediments to continued
21 use of Ejit by the people of Bikini.

22 (2) In the joint resolution of January 14, 1986
23 (Public Law 99-239) Congress provided that if the
24 impediments described in paragraph (1) do arise,
25 the United States will cooperate with the Govern-

1 ment of the Marshall Islands in assisting any person
 2 adversely affected by such judicial determination to
 3 remain on Ejit, or in locating suitable and accept-
 4 able alternative lands for such person's use.

5 (3) In the joint resolution of January 14, 1986
 6 (Public Law 99-239) Congress provided that para-
 7 graph (1) shall not be applied in a manner which
 8 would prevent the Government of the Marshall Is-
 9 lands from acting in accordance with its constitu-
 10 tional processes to resolve title and ownership claims
 11 with respect to such lands or from taking substitute
 12 or additional measures to meet the needs of the peo-
 13 ple of Bikini with their democratically expressed con-
 14 sent and approval.

15 (4) The United States and the Republic of the
 16 Marshall Islands entered into an agreement in fur-
 17 therance of paragraphs (1) through (3) of this sub-
 18 section on July 21, 1986. Nothing in this subsection
 19 creates any rights or obligations beyond those pro-
 20 vided for in the original enacted version of Public
 21 Law 99-239.

22 (c) SECTION 177 AGREEMENT.—

23 (1) In the joint resolution of January 14, 1986
 24 (Public Law 99-239) Congress provided that in fur-
 25 therance of the purposes of Article I of the Sub-

1 subsidiary Agreement for Implementation of Section
2 177 of the Compact, the payment of the amount
3 specified therein shall be made by the United States
4 under Article I of the Agreement between the Gov-
5 ernment of the United States and the Government
6 of the Marshall Islands for the Implementation of
7 section 177 of the Compact (hereafter in this sub-
8 section referred to as the “Section 177 Agreement”)
9 only after the Government of the Marshall Islands
10 has notified the President of the United States as to
11 which investment management firm has been se-
12 lected by such Government to act as Fund Manager
13 under Article I of the Section 177 Agreement.

14 (2) In the joint resolution of January 14, 1986
15 (Public Law 99-239) Congress provided that in the
16 event that the President determines that an invest-
17 ment management firm selected by the Government
18 of the Marshall Islands does not meet the require-
19 ments specified in Article I of the Section 177
20 Agreement, the United States shall invoke the con-
21 ference and dispute resolution procedures of Article
22 H of Title Four of the Compact. Pending the resolu-
23 tion of such a dispute and until a qualified Fund
24 Manager has been designated, the Government of
25 the Marshall Islands shall place the funds paid by

1 the United States pursuant to Article I of the Sec-
2 tion 177 Agreement into an interest-bearing escrow
3 account. Upon designation of a qualified Fund Man-
4 ager, all funds in the escrow account shall be trans-
5 ferred to the control of such Fund Manager for
6 management pursuant to the Section 177 Agree-
7 ment.

8 (3) In the joint resolution of January 14, 1986
9 (Public Law 99-239) Congress provided that if the
10 Government of the Marshall Islands determines that
11 some other investment firm should act as Fund
12 Manager in place of the firm first (or subsequently)
13 selected by such Government, the Government of the
14 Marshall Islands shall so notify the President of the
15 United States, identifying the firm selected by such
16 Government to become Fund Manager, and the
17 President shall proceed to evaluate the qualifications
18 of such identified firm.

19 (4) In the joint resolution of January 14, 1986
20 (Public Law 99-239) Congress provided that at the
21 end of 15 years after the effective date of the Com-
22 pact, the firm then acting as Fund Manager shall
23 transfer to the Government of the Marshall Islands,
24 or to such account as such Government shall so no-
25 tify the Fund Manager, all remaining funds and as-

1 sets being managed by the Fund Manager under the
 2 Section 177 Agreement.

3 ~~(5) The United States made the payment called~~
 4 ~~for under paragraph (1) of this subsection in No-~~
 5 ~~vember 1986. Nothing in this subsection creates any~~
 6 ~~rights or obligations beyond those provided for in~~
 7 ~~the original enacted version of Public Law 99-239.~~

8 ~~(d) NUCLEAR TEST EFFECTS.—In the joint resolu-~~
 9 ~~tion of January 14, 1986 (Public Law 99-239) Congress~~
 10 ~~provided that in approving the Compact, the Congress un-~~
 11 ~~derstands and intends that the peoples of Bikini,~~
 12 ~~Enewetak, Rongelap, and Utrik, who were affected by the~~
 13 ~~United States nuclear weapons testing program in the~~
 14 ~~Marshall Islands, will receive the amounts of \$75,000,000~~
 15 ~~(Bikini); \$48,750,000 (Enewetak); \$37,500,000~~
 16 ~~(Rongelap); and \$22,500,000 (Utrik), respectively, which~~
 17 ~~amounts shall be paid out of proceeds from the fund estab-~~
 18 ~~lished under Article I, section 1 of the subsidiary agree-~~
 19 ~~ment for the implementation of section 177 of the Com-~~
 20 ~~pact. The amounts specified in this subsection shall be in~~
 21 ~~addition to any amounts which may be awarded to claim-~~
 22 ~~ants pursuant to Article IV of the subsidiary agreement~~
 23 ~~for the implementation of Section 177 of the Compact.~~
 24 ~~Nothing in this subsection creates any rights or obliga-~~

1 tions beyond those provided for in the original enacted
2 version of Public Law 99-239.

3 ~~(c) ESPOUSAL PROVISIONS.—~~

4 ~~(1) In the joint resolution of January 14, 1986~~
5 ~~(Public Law 99-239) Congress provided that it is~~
6 ~~the intention of the Congress of the United States~~
7 ~~that the provisions of section 177 of the Compact of~~
8 ~~Free Association and the Agreement between the~~
9 ~~Government of the United States and the Govern-~~
10 ~~ment of the Marshall Islands for the Implementation~~
11 ~~of Section 177 of the Compact (hereafter in this~~
12 ~~subsection referred to as the “Section 177 Agree-~~
13 ~~ment”)~~ constitute a full and final settlement of all
14 claims described in Articles X and XI of the Section
15 177 Agreement, and that any such claims be termi-
16 nated and barred except insofar as provided for in
17 the Section 177 Agreement.

18 ~~(2) In the joint resolution of January 14, 1986~~
19 ~~(Public Law 99-239) Congress provided that in fur-~~
20 ~~therance of the intention of Congress as stated in~~
21 ~~paragraph (1) of this subsection, the Section 177~~
22 ~~Agreement is hereby ratified and approved. It is the~~
23 ~~explicit understanding and intent of Congress that~~
24 ~~the jurisdictional limitations set forth in Article XII~~
25 ~~of such Agreement are enacted solely and exclusively~~

1 to accomplish the objective of Article X of such
 2 Agreement and only as a clarification of the effect
 3 of Article X, and are not to be construed or imple-
 4 mented separately from Article X.

5 (3) The amounts specified in paragraph (1) of
 6 this subsection were paid as specified. Nothing in
 7 this subsection creates any rights or obligations be-
 8 yond those provided for in the original enacted
 9 version of Public Law 99-239. The provisions of
 10 section 177 of the Compact, section 177 of the U.S.-
 11 FSM Compact, section 177 of the U.S.-RMI Com-
 12 pact, and the Section 177 Agreement constitute a
 13 full and final settlement of all claims described in
 14 Articles X and XI of the Section 177 Agreement,
 15 and any such claims are terminated and barred.

16 (f) DOE RADIOLOGICAL HEALTH CARE PROGRAM;
 17 USDA AGRICULTURAL AND FOOD PROGRAMS.—

18 (1) MARSHALL ISLANDS PROGRAM.—Notwith-
 19 standing any other provision of law, upon the re-
 20 quest of the Government of the Republic of the Mar-
 21 shall Islands, the President (either through an ap-
 22 propriate department or agency of the United States
 23 or by contract with a United States firm) shall con-
 24 tinue to provide special medical care and logistical
 25 support thereto for the remaining 118 (as of April

30, 2003) members of the population of Rongelap and Utrik who were exposed to radiation resulting from the 1954 United States thermo-nuclear “Bravo” test, pursuant to Public Laws 95-134 and 96-205.

(2) AGRICULTURAL AND FOOD PROGRAMS.—In the joint resolution of January 14, 1986 (Public Law 99-239) Congress provided that notwithstanding any other provision of law, upon the request of the Government of the Marshall Islands, for the first fifteen years after the effective date of the Compact, the President (either through an appropriate department or agency of the United States or by contract with a United States firm or by a grant to the Government of the Republic of the Marshall Islands which may further contract only with a United States firm or a Republic of the Marshall Islands firm, the owners, officers and majority of the employees of which are citizens of the United States or the Republic of the Marshall Islands) shall provide technical and other assistance—

(A) without reimbursement, to continue the planting and agricultural maintenance program on Enewetak;

1 (B) without reimbursement, to continue
2 the food programs of the Bikini and Enewetak
3 people described in section 1(d) of Article II of
4 the Subsidiary Agreement for the Implementa-
5 tion of Section 177 of the Compact and for con-
6 tinued waterborne transportation of agricultural
7 products to Enewetak including operations and
8 maintenance of the vessel used for such pur-
9 poses.

10 The President shall ensure the assistance provided
11 under these programs reflects the changes in the
12 population since the inception of such programs.

13 (3) PAYMENTS.—In the joint resolution of Jan-
14 uary 14, 1986 (Public Law 99-239) Congress pro-
15 vided that payments under this subsection shall be
16 provided to such extent or in such amounts as are
17 necessary for services and other assistance provided
18 pursuant to this subsection. It is the sense of Con-
19 gress that after the periods of time specified in para-
20 graphs (1) and (2) of this subsection, consideration
21 will be given to such additional funding for these
22 programs as may be necessary. Nothing in this sub-
23 section creates any rights or obligations beyond
24 those provided for in the original enacted version of
25 Public Law 99-239.

1 (g) RONGELAP.—

2 (1) In the joint resolution of January 14, 1986
3 (Public Law 99-239) Congress provided that be-
4 cause Rongelap was directly affected by fallout from
5 a 1954 United States thermonuclear test and be-
6 cause the Rongelap people remain unconvinced that
7 it is safe to continue to live on Rongelap Island, it
8 is the intent of Congress to take such steps (if any)
9 as may be necessary to overcome the effects of such
10 fallout on the habitability of Rongelap Island, and to
11 restore Rongelap Island, if necessary, so that it can
12 be safely inhabited. Accordingly, it is the expectation
13 of the Congress that the Government of the Mar-
14 shall Islands shall use such portion of the funds
15 specified in Article II, section 1(e) of the subsidiary
16 agreement for the implementation of section 177 of
17 the Compact as are necessary for the purpose of
18 contracting with a qualified scientist or group of sci-
19 entists to review the data collected by the Depart-
20 ment of Energy relating to radiation levels and other
21 conditions on Rongelap Island resulting from the
22 thermonuclear test. It is the expectation of the Con-
23 gress that the Government of the Marshall Islands,
24 after consultation with the people of Rongelap, shall
25 select the party to review such data, and shall con-

1 tract for such review and for submission of a report
2 to the President of the United States and the Con-
3 gress as to the results thereof.

4 (2) In the joint resolution of January 14, 1986
5 (Public Law 99-239) Congress provided that the
6 purpose of the review referred to in paragraph (1)
7 of this subsection shall be to establish whether the
8 data cited in support of the conclusions as to the
9 habitability of Rongelap Island, as set forth in the
10 Department of Energy report entitled: "The Mean-
11 ing of Radiation for Those Atolls in the Northern
12 Part of the Marshall Islands That Were Surveyed in
13 1978", dated November 1982, are adequate and
14 whether such conclusions are fully supported by the
15 data. If the party reviewing the data concludes that
16 such conclusions as to habitability are fully sup-
17 ported by adequate data, the report to the President
18 of the United States and the Congress shall so state.
19 If the party reviewing the data concludes that the
20 data are inadequate to support such conclusions as
21 to habitability or that such conclusions as to habit-
22 ability are not fully supported by the data, the Gov-
23 ernment of the Marshall Islands shall contract with
24 an appropriate scientist or group of scientists to un-
25 dertake a complete survey of radiation and other ef-

fects of the nuclear testing program relating to the habitability of Rongelap Island. Such sums as are necessary for such survey and report concerning the results thereof and as to steps needed to restore the habitability of Rongelap Island are authorized to be made available to the Government of the Marshall Islands.

(3) In the joint resolution of January 14, 1986 (Public Law 99-239) Congress provided that it is the intent of Congress that such steps (if any) as are necessary to restore the habitability of Rongelap Island and return the Rongelap people to their homeland will be taken by the United States in consultation with the Government of the Marshall Islands and, in accordance with its authority under the Constitution of the Marshall Islands, the Rongelap local government council. Nothing in this subsection creates any rights or obligations beyond those provided for in the original enacted version of Public Law 99-239.

(h) FOUR ATOLL HEALTH CARE PROGRAM.—

(1) In the joint resolution of January 14, 1986 (Public Law 99-239) Congress provided that services provided by the United States Public Health Service or any other United States agency pursuant

1 to section 1(a) of Article II of the Agreement for the
 2 Implementation of Section 177 of the Compact
 3 (hereafter in this subsection referred to as the “Sec-
 4 tion 177 Agreement”) shall be only for services to
 5 the people of the Atolls of Bikini, Enewetak,
 6 Rongelap, and Utrik who were affected by the con-
 7 sequences of the United States nuclear testing pro-
 8 gram, pursuant to the program described in Public
 9 Law 95-134 (91 Stat. 1159) and Public Law 96-
 10 205 (94 Stat. 84) and their descendants (and any
 11 other persons identified as having been so affected
 12 if such identification occurs in the manner described
 13 in such public laws). Nothing in this subsection shall
 14 be construed as prejudicial to the views or policies
 15 of the Government of the Marshall Islands as to the
 16 persons affected by the consequences of the United
 17 States nuclear testing program.

18 (2) In the joint resolution of January 14, 1986
 19 (Public Law 99-239) Congress provided that at the
 20 end of the first year after the effective date of the
 21 Compact and at the end of each year thereafter, the
 22 providing agency or agencies shall return to the Gov-
 23 ernment of the Marshall Islands any unexpended
 24 funds to be returned to the Fund Manager (as de-
 25 scribed in Article I of the Section 177 Agreement)

1 to be covered into the Fund to be available for fu-
2 ture use.

3 ~~(3) In the joint resolution of January 14, 1986~~
4 ~~(Public Law 99-239) Congress provided that the~~
5 ~~Fund Manager shall retain the funds returned by~~
6 ~~the Government of the Marshall Islands pursuant to~~
7 ~~paragraph (2) of this subsection, shall invest and~~
8 ~~manage such funds, and at the end of 15 years after~~
9 ~~the effective date of the Compact, shall make from~~
10 ~~the total amount so retained and the proceeds there-~~
11 ~~of annual disbursements sufficient to continue to~~
12 ~~make payments for the provision of health services~~
13 ~~as specified in paragraph (1) of this subsection to~~
14 ~~such extent as may be provided in contracts between~~
15 ~~the Government of the Marshall Islands and appro-~~
16 ~~priate United States providers of such health serv-~~
17 ~~ices. Nothing in this subsection creates any rights or~~
18 ~~obligations beyond those provided for in the original~~
19 ~~enacted version of Public Law 99-239.~~

20 (i) ENJEBI COMMUNITY TRUST FUND.—In the joint
21 resolution of January 14, 1986 (Public Law 99-239) Con-
22 gress provided that notwithstanding any other provision
23 of law, the Secretary of the Treasury shall establish on
24 the books of the Treasury of the United States a fund
25 having the status specified in Article V of the subsidiary

1 agreement for the implementation of Section 177 of the
 2 Compact, to be known as the “Enjebi Community Trust
 3 Fund” (hereafter in this subsection referred to as the
 4 “Fund”); and shall credit to the Fund the amount of
 5 \$7,500,000. Such amount, which shall be ex gratia, shall
 6 be in addition to and not charged against any other funds
 7 provided for in the Compact and its subsidiary agree-
 8 ments, this joint resolution, or any other Act. Upon receipt
 9 by the President of the United States of the agreement
 10 described in this subsection, the Secretary of the Treas-
 11 ury, upon request of the Government of the Marshall Is-
 12 lands, shall transfer the Fund to the Government of the
 13 Marshall Islands, provided that the Government of the
 14 Marshall Islands agrees as follows:

15 (1) ENJEBI TRUST AGREEMENT.—In the joint
 16 resolution of January 14, 1986 (Public Law 99–
 17 239) Congress provided that the Government of the
 18 Marshall Islands and the Enewetak Local Govern-
 19 ment Council, in consultation with the people of
 20 Enjebi, shall provide for the creation of the Enjebi
 21 Community Trust Fund and the employment of the
 22 manager of the Enewetak Fund established pursu-
 23 ant to the Section 177 Agreement as trustee and
 24 manager of the Enjebi Community Trust Fund, or,
 25 should the manager of the Enewetak Fund not be

1 acceptable to the people of Enjebi, another United
2 States investment manager with substantial experi-
3 ence in the administration of trusts and with funds
4 under management in excess of 250 million dollars.

5 (2) MONITOR CONDITIONS.—In the joint resolu-
6 tion of January 14, 1986 (Public Law 99-239) Con-
7 gress provided that upon the request of the Govern-
8 ment of the Marshall Islands, the United States
9 shall monitor the radiation and other conditions on
10 Enjebi and within one year of receiving such a re-
11 quest shall report to the Government of the Marshall
12 Islands when the people of Enjebi may resettle
13 Enjebi under circumstances where the radioactive
14 contamination at Enjebi, including contamination
15 derived from consumption of locally grown food
16 products, can be reduced or otherwise controlled to
17 meet whole body Federal radiation protection stand-
18 ards for the general population, including mean an-
19 nual dose and mean 30-year cumulative dose stand-
20 ards.

21 (3) RESETTLEMENT OF ENJEBI.—In the joint
22 resolution of January 14, 1986 (Public Law 99-
23 239) Congress provided that in the event that the
24 United States determines that the people of Enjebi
25 can within 25 years of January 14, 1986, resettle

1 Enjebi under the conditions set forth in paragraph
 2 (2) of this subsection, then upon such determination
 3 there shall be available to the people of Enjebi from
 4 the Fund such amounts as are necessary for the
 5 people of Enjebi to do the following, in accordance
 6 with a plan developed by the Enewetak Local Gov-
 7 ernment Council and the people of Enjebi, and con-
 8 curred with by the Government of the Marshall Is-
 9 lands to assure consistency with the government's
 10 overall economic development plan:

11 (A) Establish a community on Enjebi Is-
 12 land for the use of the people of Enjebi.

13 (B) Replant Enjebi with appropriate food-
 14 bearing and other vegetation.

15 (4) RESETTLEMENT OF OTHER LOCATION.—In
 16 the joint resolution of January 14, 1986 (Public
 17 Law 99-239) Congress provided that in the event
 18 that the United States determines that within 25
 19 years of January 14, 1986, the people of Enjebi can-
 20 not resettle Enjebi without exceeding the radiation
 21 standards set forth in paragraph (2) of this sub-
 22 section, then the fund manager shall be directed by
 23 the trust instrument to distribute the Fund to the
 24 people of Enjebi for their resettlement at some other
 25 location in accordance with a plan, developed by the

1 Enewetak Local Government Council and the people
 2 of Enjebi and concurred with by the Government of
 3 the Marshall Islands, to assure consistency with the
 4 government's overall economic development plan.

5 (5) INTEREST FROM FUND.—In the joint reso-
 6 lution of January 14, 1986 (Public Law 99-239)
 7 Congress provided that prior to and during the dis-
 8 tribution of the corpus of the Fund pursuant to
 9 paragraphs (3) and (4) of this subsection, the people
 10 of Enjebi may, if they so request, receive the interest
 11 earned by the Fund on no less frequent a basis than
 12 quarterly.

13 (6) DISCLAIMER OF LIABILITY.—In the joint
 14 resolution of January 14, 1986 (Public Law 99-
 15 239) Congress provided that neither under the laws
 16 of the Marshall Islands nor under the laws of the
 17 United States, shall the Government of the United
 18 States be liable for any loss or damage to person
 19 or property in respect to the resettlement of Enjebi
 20 by the people of Enjebi, pursuant to the provision
 21 of this subsection or otherwise.

22 (7) ____.—The ex gratia payment provided for
 23 in this subsection was made. Nothing in this sub-
 24 section creates any rights or obligations beyond

1 those provided for in the original enacted version of
2 Public Law 99-239.

3 ~~(j) BIKINI ATOLL CLEANUP.—~~

4 ~~(1) DECLARATION OF POLICY.—~~In the joint
5 resolution of January 14, 1986 (Public Law 99-
6 239), the Congress determined and declared that it
7 is the policy of the United States, to be supported
8 by the full faith and credit of the United States,
9 that because the United States, through its nuclear
10 testing and other activities, rendered Bikini Atoll
11 unsafe for habitation by the people of Bikini, the
12 United States will fulfill its responsibility for restor-
13 ing Bikini Atoll to habitability, as set forth in para-
14 graph (2) and (3) of this subsection.

15 ~~(2) CLEANUP FUNDS.—~~The joint resolution of
16 January 14, 1986 (Public Law 99-239) authorized
17 to be appropriated such sums as necessary to imple-
18 ment the settlement agreement of March 15, 1985,
19 in *The People of Bikini, et al. against United States*
20 *of America, et al., Civ. No. 84-0425 (D. Ha.)*.

21 ~~(3) CONDITIONS OF FUNDING.—~~In the joint
22 resolution of January 14, 1986 (Public Law 99-
23 239) the Congress provided that the funds referred
24 to in paragraph (2) were to be made available pursu-
25 ant to Article VI, Section 1 of the Compact Section

1 ~~177~~ Agreement upon completion of the events set
 2 forth in the settlement agreement referred to in
 3 paragraph (2) of this subsection. Nothing in this
 4 subsection creates any rights or obligations beyond
 5 those provided for in the original enacted version of
 6 Public Law ~~99-239~~.

7 (k) AGREEMENT ON AUDITS.—The Comptroller Gen-
 8 eral (and his duly authorized representatives) shall have
 9 the authorities necessary to carry out his responsibilities
 10 under section ~~232~~ of the U.S.-RMI Compact and the
 11 agreement referred to in section 462(b)(4) of the U.S.-
 12 RMI Compact, including the following authorities:

13 (1) GENERAL AUTHORITY OF THE COMP-
 14 TROLLER GENERAL TO AUDIT.—

15 (A) The Comptroller General of the United
 16 States (and his duly authorized representatives)
 17 shall have the authority to audit—

18 (i) all grants, program assistance, and
 19 other assistance provided to the Govern-
 20 ment of the Republic of the Marshall Is-
 21 lands under Articles I and II of Title Two
 22 of the U.S.-RMI Compact; and

23 (ii) any other assistance provided by
 24 the Government of the United States to

1 the Government of the Republic of the
2 Marshall Islands.

3 Such authority shall include authority for the
4 Comptroller General to conduct or cause to be
5 conducted any of the audits provided for in sec-
6 tion 232 of the U.S.-RMI Compact. The au-
7 thority provided in this paragraph shall con-
8 tinue for at least three years after the last such
9 grant has been made or assistance has been
10 provided.

11 (B) The Comptroller General (and his duly
12 authorized representatives) shall also have au-
13 thority to review any audit conducted by or on
14 behalf of the Government of the United States.
15 In this connection, the Comptroller General
16 shall have access to such personnel and to such
17 records, documents, working papers, automated
18 data and files, and other information relevant
19 to such review.

20 (2) COMPTROLLER GENERAL ACCESS TO
21 RECORDS.—

22 (A) In carrying out paragraph (1), the
23 Comptroller General (and his duly authorized
24 representatives) shall have such access to the
25 personnel and (without cost) to records, docu-

1 ments, working papers, automated data and
2 files, and other information relevant to such au-
3 dits. The Comptroller General may duplicate
4 any such records, documents, working papers,
5 automated data and files, or other information
6 relevant to such audits.

7 (B) Such records, documents, working pa-
8 pers, automated data and files, and other infor-
9 mation regarding each such grant or other as-
10 sistance shall be maintained for at least three
11 years after the date such grant or assistance
12 was provided and in a manner that permits
13 such grants, assistance and payments to be ac-
14 counted for distinct from any other funds of the
15 Government of the Republic of the Marshall Is-
16 lands.

17 (3) STATUS OF COMPTROLLER GENERAL REP-
18 RESENTATIVES.—The Comptroller General and his
19 duly authorized representatives shall be immune
20 from civil and criminal process relating to words
21 spoken or written and all acts performed by them in
22 their official capacity and falling within their func-
23 tions, except insofar as such immunity may be ex-
24 pressly waived by the Government of the United
25 States. The Comptroller General and his duly au-

1 thorized representatives shall not be liable to arrest
 2 or detention pending trial, except in the case of a
 3 grave crime and pursuant to a decision by a com-
 4 petent judicial authority, and such persons shall
 5 enjoy immunity from seizure of personal property,
 6 immigration restrictions, and laws relating to alien
 7 registration, fingerprinting, and the registration of
 8 foreign agents. Such persons shall enjoy the same
 9 taxation exemptions as are set forth in Article 34 of
 10 the Vienna Convention on Diplomatic Relations. The
 11 privileges, exemptions and immunities accorded
 12 under this paragraph are not for the personal ben-
 13 efit of the individuals concerned but are to safeguard
 14 the independent exercise of their official functions.
 15 Without prejudice to those privileges, exemptions
 16 and immunities, it is the duty of all such persons to
 17 respect the laws and regulations of the Government
 18 of the Republic of the Marshall Islands.

19 (4) AUDITS DEFINED.—As used in this sub-
 20 section, the term “audits” includes financial, pro-
 21 gram, and management audits, including deter-
 22 mining—

23 (A) whether the Government of the Repub-
 24 lic of the Marshall Islands has met the require-
 25 ments set forth in the U.S.-RMI Compact, or

any related agreement entered into under the U.S.-RMI Compact, regarding the purposes for which such grants and other assistance are to be used; and

(B) the propriety of the financial transactions of the Government of the Republic of the Marshall Islands pursuant to such grants or assistance.

(5) COOPERATION BY THE REPUBLIC OF THE MARSHALL ISLANDS.—The Government of the Republic of the Marshall Islands will cooperate fully with the Comptroller General of the United States in the conduct of such audits as the Comptroller General determines necessary to enable the Comptroller General to fully discharge his responsibilities under this joint resolution.

SEC. 104. INTERPRETATION OF AND UNITED STATES POLICY REGARDING U.S.-FSM COMPACT AND U.S.-RMI COMPACT.

(a) HUMAN RIGHTS.—In approving the U.S.-FSM Compact and the U.S.-RMI Compact, the Congress notes the conclusion in the Statement of Intent of the Report of The Future Political Status Commission of the Congress of Micronesia in July, 1969, that “our recommendation of a free associated state is indissolubly linked to our

1 desire for such a democratic, representative, constitutional
 2 government” and notes that such desire and intention are
 3 reaffirmed and embodied in the Constitutions of the Fed-
 4 erated States of Micronesia and the Republic of the Mar-
 5 shall Islands. The Congress also notes and specifically en-
 6 dorses the preamble to the U.S.-FSM Compact and the
 7 U.S.-RMI Compact, which affirms that the governments
 8 of the parties to the U.S.-FSM Compact and the U.S.-
 9 RMI Compact are founded upon respect for human rights
 10 and fundamental freedoms for all. The Secretary of State
 11 shall include in the annual reports on the status of inter-
 12 nationally recognized human rights in foreign countries,
 13 which are submitted to the Congress pursuant to sections
 14 116 and 502B of the Foreign Assistance Act of 1961, “22
 15 USC 2151n, 2304” a full and complete report regarding
 16 the status of internationally recognized human rights in
 17 the Federated States of Micronesia and the Republic of
 18 the Marshall Islands.

19 (b) IMMIGRATION AND PASSPORT SECURITY.—

20 (1) NATURALIZED CITIZENS.—The rights of a
 21 bona fide naturalized citizen of the Federated States
 22 of Micronesia or the Republic of the Marshall Is-
 23 lands to enter the United States, to lawfully engage
 24 therein in occupations, and to establish residence
 25 therein as a nonimmigrant, to the extent such rights

1 are provided under section 141 of the U.S.-FSM
2 Compact and U.S.-RMI Compact, shall not be
3 deemed to extend to any such naturalized citizen
4 with respect to whom circumstances associated with
5 the acquisition of the status of a naturalized citizen
6 are such as to allow a reasonable inference, on the
7 part of appropriate officials of the United States and
8 subject to United States procedural requirements,
9 that such naturalized status was acquired primarily
10 in order to obtain such rights.

11 (2) PASSPORTS.—Up to \$250,000 of the grant
12 assistance provided to the Federated States of Mi-
13 cronesia pursuant to section 211(a)(4) of the U.S.-
14 FSM Compact, and up to \$250,000 of the grant as-
15 sistance provided to the Republic of the Marshall Is-
16 lands pursuant to section 211(a)(4) of the U.S.-RMI
17 Compact (or a greater amount of the section
18 211(a)(4) grant, if mutually agreed between the
19 Government of the United States and the govern-
20 ment of the Federated States of Micronesia or the
21 government of the Republic of the Marshall Islands),
22 shall be used for the purpose of increasing the ma-
23 chine-readability and security of passports issued by
24 such jurisdictions. Such funds must be obligated by
25 September 30, 2004 and in the amount and manner

1 specified by the Secretary of State in consultation
 2 with the Secretary of Homeland Security and, re-
 3 spectively, with the government of the Federated
 4 States of Micronesia and the government of the Re-
 5 public of the Marshall Islands. The United States
 6 Government is authorized to require that passports
 7 used for the purpose of seeking admission under sec-
 8 tion 141 of the U.S.-FSM Compact and the U.S.-
 9 RMH Compact contain the security enhancements
 10 funded by such assistance.

11 (3) INFORMATION-SHARING.—As a condition of
 12 assistance under the U.S.-FSM Compact and the
 13 U.S.-RMH Compact, the governments of the Fed-
 14 erated States of Micronesia and the Republic of the
 15 Marshall Islands shall develop, prior to October 1,
 16 2004, the capability to provide reliable and timely
 17 information as may reasonably be required by the
 18 Government of the United States in enforcing crimi-
 19 nal and security-related grounds of inadmissibility
 20 and deportability under the Immigration and Na-
 21 tionality Act, as amended, and shall provide such in-
 22 formation to the Government of the United States.

23 (4) TRANSITION; CONSTRUCTION OF SECTIONS
 24 141(a)(3) AND 141(a)(4) OF THE U.S.-FSM COMPACT
 25 AND U.S.-RMH COMPACT.—The words “the effective

1 date of this Compact, as amended” in sections
 2 141(a)(3) and 141(a)(4) of the U.S.-FSM Compact
 3 and the U.S.-RMI Compact shall be construed to
 4 read, “on the day prior to the enactment by the
 5 United States Congress of the Amended Compact
 6 Act.”.

7 (c) NONALIENATION OF LANDS.—The Congress en-
 8 dorses and encourages the maintenance of the policies of
 9 the Government of the Federated States of Micronesia and
 10 the Government of the Republic of the Marshall Islands
 11 to regulate, in accordance with their Constitutions and
 12 laws, the alienation of permanent interests in real property
 13 so as to restrict the acquisition of such interests to persons
 14 of Federated States of Micronesia citizenship and the Re-
 15 public of the Marshall Islands citizenship, respectively.

16 (d) NUCLEAR WASTE DISPOSAL.—In approving the
 17 U.S.-FSM Compact and the U.S.-RMI Compact, the Con-
 18 gress understands that the Government of the Federated
 19 States of Micronesia and the Government of the Republic
 20 of the Marshall Islands will not permit any other govern-
 21 ment or any nongovernmental party to conduct, in the Re-
 22 public of the Marshall Islands or in the Federated States
 23 of Micronesia, any of the activities specified in subsection
 24 (a) of section 314 of the U.S.-FSM Compact and the U.S.-
 25 RMI Compact.

1 ~~(e) EFFECT OF U.S.-FSM COMPACT AND U.S.-RMI~~
 2 ~~COMPACT ON CERTAIN U.S. AREAS; RELATED AUTHOR-~~
 3 ~~IZATION AND CONTINUING APPROPRIATION.—~~

4 ~~(1) DEFINITIONS.—~~For the purposes of this
 5 subsection—

6 ~~(A) the term “affected jurisdiction” means~~
 7 ~~American Samoa, Guam, the Commonwealth of~~
 8 ~~the Northern Mariana Islands, or the State of~~
 9 ~~Hawaii; and~~

10 ~~(B) the term “qualified nonimmigrant”~~
 11 ~~means person admitted pursuant to section 141~~
 12 ~~of the U.S.-RMI or U.S.-FSM Compact, or sec-~~
 13 ~~tion 141 of the Palau Compact who, as of a~~
 14 ~~date referenced in the most recently published~~
 15 ~~enumeration (i) is a resident of an affected ju-~~
 16 ~~risdiction, and (ii) has had periods of residence~~
 17 ~~in American Samoa, Guam, the Commonwealth~~
 18 ~~of the Northern Mariana Islands, or a State of~~
 19 ~~the United States with a duration, in the aggre-~~
 20 ~~gate, of less than 10 years; and their children~~
 21 ~~under the age of 18 who were admitted as non-~~
 22 ~~immigrants under the U.S.-RMI Compact, the~~
 23 ~~U.S.-FSM Compact, or the Palau Compact. As~~
 24 ~~used in this subsection, the term “resident”~~
 25 ~~shall be a person who has a “residence,” as~~

1 that term is defined in section 101(a)(33) of
 2 the Immigration and Nationality Act, as
 3 amended.

4 (1) AUTHORIZATION AND CONTINUING APPRO-
 5 PRIATION.—There is hereby authorized and appro-
 6 priated to the Secretary of the Interior, for each fis-
 7 cal year from 2004 through 2023, \$15,000,000 for
 8 grants to affected jurisdictions to aid in defraying
 9 costs incurred by affected jurisdictions as a result of
 10 increased demands placed on health, educational, so-
 11 cial, or public safety services or infrastructure re-
 12 lated to such services due to the residence in af-
 13 fected jurisdictions of qualified nonimmigrants from
 14 the Republic of the Marshall Islands, the Federated
 15 States of Micronesia, or the Republic of Palau. The
 16 grants shall be—

17 (A) awarded and administered by the De-
 18 partment of the Interior, Office of Insular Af-
 19 fairs, or any successor thereto, in accordance
 20 with regulations, policies and procedures appli-
 21 cable to grants so awarded and administered,
 22 and

23 (B) used only for health, educational, so-
 24 cial, or public safety services, or infrastructure

1 related to such services, specifically affected by
2 qualified nonimmigrants.

3 ~~(2) ENUMERATION.~~—The Secretary of the Inte-
4 rior shall conduct periodic enumerations of qualified
5 nonimmigrants in each affected jurisdiction. The
6 enumerations—

7 (A) shall be conducted at such intervals as
8 the Secretary of the Interior shall determine,
9 but no less frequently than every five years, be-
10 ginning in fiscal year 2003;

11 (B) shall be supervised by the United
12 States Bureau of the Census or such other or-
13 ganization as the Secretary of the Interior may
14 select; and

15 (C) after fiscal year 2003, shall be funded
16 by the Secretary of the Interior by deducting
17 such sums as are necessary from funds appro-
18 priated pursuant to the authorization contained
19 in paragraph (2) of this subsection.

20 ~~(4) ALLOCATION.~~—The Secretary of the Inte-
21 rior shall allocate to the government of each affected
22 jurisdiction, on the basis of the results of the most
23 recent enumeration, grants in an aggregate amount
24 equal to the total amount of funds appropriated
25 under paragraph (2) of this subsection, as reduced

1 by any deductions authorized by subparagraph (C)
2 of paragraph (3) of this subsection, multiplied by a
3 ratio derived by dividing the number of qualified
4 nonimmigrants in such affected jurisdiction by the
5 total number of qualified nonimmigrants in all af-
6 fected jurisdictions.

7 (f) FOREIGN LOANS.—The Congress hereby reaf-
8 firms the United States position that the United States
9 Government is not responsible for foreign loans or debt
10 obtained by the Governments of the Federated States of
11 Micronesia and the Republic of the Marshall Islands.

12 **SEC. 105. SUPPLEMENTAL PROVISIONS.**

13 (a) DOMESTIC PROGRAM REQUIREMENTS.—Except
14 as may otherwise be provided in this joint resolution, all
15 United States Federal programs and services extended to
16 or operated in the Federated States of Micronesia or the
17 Republic of the Marshall Islands are and shall remain sub-
18 ject to all applicable criteria, standards, reporting require-
19 ments, auditing procedures, and other rules and regula-
20 tions applicable to such programs when operating in the
21 United States (including its territories and common-
22 wealths).

23 (b) RELATIONS WITH THE FEDERATED STATES OF
24 MICRONESIA AND THE REPUBLIC OF THE MARSHALL IS-
25 LANDS.—

1 (1) Appropriations made pursuant to Article I
 2 of Title Two and subsection (a)(2) of section 221 of
 3 Article II of Title Two of the U.S.-FSM Compact
 4 and the U.S.-RMI Compact shall be made to the
 5 Secretary of the Interior, who shall have the author-
 6 ity necessary to fulfill his responsibilities for moni-
 7 toring and managing the funds so appropriated con-
 8 sistent with the U.S.-FSM Compact and the U.S.-
 9 RMI Compact, including the agreements referred to
 10 in section 462(b)(4) of the U.S.-FSM Compact and
 11 U.S.-RMI Compact (relating to Fiscal Procedures)
 12 and the agreements referred to in section 462(b)(5)
 13 of the U.S.-FSM Compact and the U.S.-RMI Com-
 14 pact (regarding the Trust Fund).

15 (2) Appropriations made pursuant to sub-
 16 sections (a)(1) and (a)(3) through (6) of section 221
 17 of Article II of Title Two of the U.S.-FSM Compact
 18 and subsection (a)(1) and (a)(3) through (5) of the
 19 U.S.-RMI Compact shall be made directly to the
 20 agencies named in those subsections.

21 (3) Appropriations for services and programs
 22 referred to in subsection (b) of section 221 of Article
 23 II of Title Two of the U.S.-FSM Compact or U.S.-
 24 RMI Compact and appropriations for services and
 25 programs referred to in sections 105(f) and 108(a)

1 of this joint resolution shall be made to the relevant
2 agencies in accordance with the terms of the appro-
3 priations for such services and programs.

4 (4) Federal agencies providing programs and
5 services to the Federated States of Micronesia and
6 the Republic of the Marshall Islands shall coordinate
7 with the Secretaries of the Interior and State re-
8 garding provision of such programs and services.
9 The Secretaries of the Interior and State shall con-
10 sult with the Secretary of the Treasury regarding
11 overall economic conditions in the Federated States
12 of Micronesia and the Republic of the Marshall Is-
13 lands.

14 (5) United States Government employees in ei-
15 ther the Federated States of Micronesia or the Re-
16 public of the Marshall Islands are subject to the au-
17 thority of the United States Chief of Mission, includ-
18 ing as elaborated in section 207 of the Foreign Serv-
19 ice Act and the President's Letter of Instruction to
20 the United States Chief of Mission and any order or
21 directive of the President in effect from time to
22 time.

23 (6) The President is hereby authorized to ap-
24 point an Interagency Group on Freely Associated
25 States' Affairs to provide policy guidance and rec-

ommendations on implementation of the U.S.-FSM Compact and the U.S.-RMI Compact to Federal departments and agencies.

(7) The three United States appointees (United States chair plus two members) to the Joint Economic Management Committee provided for in section 213 of the U.S.-FSM Compact and Article III of the U.S.-FSM Fiscal Procedures Agreement referred to in section 462(b)(4) of the U.S.-FSM Compact shall be United States Government officers or employees. The three United States appointees (United States chair plus two members) to the Joint Economic Management and Financial Accountability Committee provided for in section 214 of the U.S.-RMI Compact and Article III of the U.S.-RMI Fiscal Procedures Agreement referred to in section 462(b)(4) of the U.S.-RMI Compact shall be United States Government officers or employees.

(8) The United States voting members (United States chair plus two or more members) of the Trust Fund Committee appointed by the Government of the United States pursuant to Article 7 of the Trust Fund Agreement implementing section 215 of the U.S.-FSM Compact and referred to in section 462(b)(5) of the U.S.-FSM Compact and

1 any alternates designated by the Government of the
2 United States shall be United States Government of-
3 ficers or employees. The United States voting mem-
4 bers (United States chair plus two or more mem-
5 bers) of the Trust Fund Committee appointed by the
6 Government of the United States pursuant to Article
7 7 of the Trust Fund Agreement implementing sec-
8 tion 216 of the U.S.-RMI Compact and referred to
9 in section 462(b)(5) of the U.S.-RIM Compact and
10 any alternates designated by the Government of the
11 United States shall be United States Government of-
12 ficers or employees.

13 (9) The Trust Fund Committee provided for in
14 Article 7 of the U.S.-FSM Trust Fund Agreement
15 implementing section 215 of the U.S.-FSM Compact
16 shall be a non-profit corporation incorporated under
17 the laws of the District of Columbia. To the extent
18 that any law, rule, regulation or ordinance of the
19 District of Columbia, or of any State or political
20 subdivision thereof in which the Trust Fund Com-
21 mittee is incorporated or doing business, impedes or
22 otherwise interferes with the performance of the
23 functions of the Trust Fund Committee pursuant to
24 this joint resolution, such law, rule, regulation, or
25 ordinance shall be deemed to be preempted by this

1 joint resolution. The Trust Fund Committee pro-
 2 vided for in Article 7 of the U.S.-RMI Trust Fund
 3 Agreement implementing section 216 of the U.S.-
 4 RMI Compact shall be a non-profit corporation in-
 5 corporated under the laws of the District of Colum-
 6 bia. To the extent that any law, rule, regulation or
 7 ordinance of the District of Columbia, or of any
 8 State or political subdivision thereof in which the
 9 Trust Fund Committee is incorporated or doing
 10 business, impedes or otherwise interferes with the
 11 performance of the functions of the Trust Fund
 12 Committee pursuant to this joint resolution, such
 13 law, rule, regulation, or ordinance shall be deemed
 14 to be preempted by this joint resolution.

15 ~~(c) CONTINUING TRUST TERRITORY AUTHORIZA-~~
 16 ~~TION.—~~The authorization provided by the Act of June 30,
 17 1954, as amended (68 Stat. 330) shall remain available
 18 after the effective date of the Compact with respect to the
 19 Federated States of Micronesia and the Republic of the
 20 Marshall Islands for the following purposes:

21 (1) Prior to October 1, 1986, for any purpose
 22 authorized by the Compact or the joint resolution of
 23 January 14, 1986 (Public Law 99-239).

24 (2) Transition purposes, including but not lim-
 25 ited to, completion of projects and fulfillment of

1 commitments or obligations; termination of the
2 Trust Territory Government and termination of the
3 High Court; health and education as a result of ex-
4 ceptional circumstances; ex gratia contributions for
5 the populations of Bikini, Enewetak, Rongelap, and
6 Utrik; and technical assistance and training in fi-
7 nancial management, program administration, and
8 maintenance of infrastructure, except that, for pur-
9 poses of an orderly reduction of United States pro-
10 grams and services in the Federated States of Mi-
11 cronesia, the Marshall Islands, and Palau, United
12 States programs or services not specifically author-
13 ized by the Compact of Free Association or by other
14 provisions of law may continue but, unless reim-
15 bursed by the respective freely associated state, not
16 in excess of the following amounts:

17 (A) For fiscal year 1987, an amount not to
18 exceed 75 per centum of the total amount ap-
19 propriated for such programs for fiscal year
20 1986.

21 (B) For fiscal year 1988, an amount not
22 to exceed 50 per centum of the total amount
23 appropriated for such programs for fiscal year
24 1986.

1 (C) For fiscal year 1989, an amount not to
2 exceed 25 per centum of the total amount ap-
3 propriated for such programs for fiscal year
4 1986.

5 (d) SURVIVABILITY.—In furtherance of the provi-
6 sions of Title Four, Article V, sections 452 and 453 of
7 the U.S.-FSM Compact and the U.S.-RMI Compact, any
8 provisions of the U.S.-FSM Compact or the U.S.-RMI
9 Compact which remain effective after the termination of
10 the U.S.-FSM Compact or U.S.-RMI Compact by the act
11 of any party thereto and which are affected in any manner
12 by provisions of this title shall remain subject to such pro-
13 visions.

14 (e) NONCOMPLIANCE SANCTIONS; ACTIONS INCOM-
15 PATIBLE WITH UNITED STATES AUTHORITY.—The Con-
16 gress expresses its understanding that the Governments
17 of the Federated States of Micronesia and the Republic
18 of the Marshall Islands will not act in a manner incompat-
19 ible with the authority and responsibility of the United
20 States for security and defense matters in or related to
21 the Federated States of Micronesia or the Republic of the
22 Marshall Islands pursuant to the U.S.-FSM Compact or
23 the U.S.-RMI Compact, including the agreements referred
24 to in sections 462(a)(2) of the U.S.-FSM Compact and
25 462(a)(5) of the U.S.-RMI Compact. The Congress fur-

1 ther expresses its intention that any such act on the part
 2 of either such Government will be viewed by the United
 3 States as a material breach of the U.S.-FSM Compact or
 4 U.S.-RMI Compact. The Government of the United States
 5 reserves the right in the event of such a material breach
 6 of the U.S.-FSM Compact by the Government of the Fed-
 7 erated States of Micronesia or the U.S.-RMI Compact by
 8 the Government of the Republic of the Marshall Islands
 9 to take action, including (but not limited to) the suspen-
 10 sion in whole or in part of the obligations of the Govern-
 11 ment of the United States to that Government.

12 (f) CONTINUING PROGRAMS AND LAWS.—

13 (1) FEDERATED STATES OF MICRONESIA AND
 14 REPUBLIC OF THE MARSHALL ISLANDS.—In addi-
 15 tion to the programs and services set forth in section
 16 221 of the Compact, and pursuant to section 222 of
 17 the Compact, the programs and services of the fol-
 18 lowing agencies shall be made available to the Fed-
 19 erated States of Micronesia and to the Republic of
 20 the Marshall Islands:

21 (A) The Legal Services Corporation.

22 (B) The Public Health Service.

23 (C) The Rural Housing Service (formerly,
 24 the Farmers Home Administration) in the Mar-
 25 shall Islands and each of the four States of the

1 Federated States of Micronesia: *Provided*, That
 2 in lieu of continuation of the program in the
 3 Federated States of Micronesia, the President
 4 may agree to transfer to the Government of the
 5 Federated States of Micronesia without cost,
 6 the portfolio of the Rural Housing Service ap-
 7 plicable to the Federated States of Micronesia
 8 and provide such technical assistance in man-
 9 agement of the portfolio as may be requested by
 10 the Federated States of Micronesia).

11 (2) TORT CLAIMS.—The provisions of section
 12 178 of the U.S.-FSM Compact and the U.S.-RMI
 13 Compact regarding settlement and payment of tort
 14 claims shall apply to employees of any Federal agen-
 15 cy of the Government of the United States (and to
 16 any other person employed on behalf of any Federal
 17 agency of the Government of the United States on
 18 the basis of a contractual, cooperative, or similar
 19 agreement) which provides any service or carries out
 20 any other function pursuant to or in furtherance of
 21 any provisions of the U.S.-FSM Compact or the
 22 U.S.-RMI Compact or this joint resolution, except
 23 for provisions of Title Three of the Compact and of
 24 the subsidiary agreements related to such Title, in

1 such area to which such Agreement formerly ap-
2 plied.

3 ~~(3) PCB CLEANUP.~~—The programs and serv-
4 ices of the Environmental Protection Agency regard-
5 ing PCBs shall, to the extent applicable, as appro-
6 priate, and in accordance with applicable law, be
7 construed to be made available to such islands.

8 ~~(g) COLLEGE OF MICRONESIA.~~—Until otherwise pro-
9 vided by Act of Congress, or until termination of the U.S.-
10 FSM Compact and the U.S.-RMI Compact, the College
11 of Micronesia shall retain its status as a land-grant insti-
12 tution and its eligibility for all benefits and programs
13 available to such land-grant institutions.

14 ~~(h) TRUST TERRITORY DEBTS TO U.S. FEDERAL~~
15 ~~AGENCIES.~~—Neither the Government of the Federated
16 States of Micronesia nor the Government of the Marshall
17 Islands shall be required to pay to any department, agen-
18 cy, independent agency, office, or instrumentality of the
19 United States any amounts owed to such department,
20 agency, independent agency, office, or instrumentality by
21 the Government of the Trust Territory of the Pacific Is-
22 lands as of the effective date of the Compact. There is
23 authorized to be appropriated such sums as may be nec-
24 essary to carry out the purposes of this subsection.

1 (i) ~~USE OF DOD MEDICAL FACILITIES.~~—The Sec-
 2 retary of Defense is hereby authorized to cooperate with
 3 government authorities responsible for provision of med-
 4 ical services in the Federated States of Micronesia and
 5 the Republic of the Marshall Islands in order to permit
 6 use of medical facilities of the Department of Defense for
 7 persons properly referred by such authorities in accord-
 8 ance with Article XVII of the agreements referred to in
 9 section 462(b)(7) of the U.S.-FSM Compact and the U.S.-
 10 RMI Compact. The Secretary of Health and Human Serv-
 11 ices is hereby authorized and directed to continue to make
 12 the services of the National Health Service Corps available
 13 to the residents of the Federated States of Micronesia and
 14 the Republic of the Marshall Islands to the same extent
 15 and for so long as such services are authorized to be pro-
 16 vided to persons residing in any other areas within or out-
 17 side the United States.

18 (j) ~~TECHNICAL ASSISTANCE.~~—Technical assistance
 19 may be provided pursuant to section 224 of the U.S.-FSM
 20 Compact or the U.S.-RMI Compact by Federal agencies
 21 and institutions of the Government of the United States
 22 to the extent such assistance may be provided to States,
 23 territories, or units of local government. Such assistance
 24 by the Forest Service, the Natural Resources Conservation
 25 Service, the Fish and Wildlife Service, the National Ma-

1 rine Fisheries Service, the United States Coast Guard,
 2 and the Advisory Council on Historic Preservation, the
 3 Department of the Interior, and other agencies providing
 4 assistance under the National Historic Preservation Act
 5 (80 Stat. 915; 16 U.S.C. 470–470t), shall be on a non-
 6 reimbursable basis. During the period the U.S.-FSM Com-
 7 pact and the U.S.-RMI Compact are in effect, the grant
 8 programs under the National Historic Preservation Act
 9 shall continue to apply to the Federated States of Micro-
 10 nesia and the Republic of the Marshall Islands in the same
 11 manner and to the same extent as prior to the approval
 12 of the Compact. Any funds provided pursuant to sections
 13 102(a), 103(a), 103(b), 103(f), 103(g), 103(h), 103(j),
 14 105(e), 105(g), 105(h), 105(i), 105(j), 105(k), 105(l), and
 15 105(m) of this joint resolution shall be in addition to and
 16 not charged against any amounts to be paid to either the
 17 Federated States of Micronesia or the Republic of the
 18 Marshall Islands pursuant to the U.S.-FSM Compact, the
 19 U.S.-RMI Compact, or their related subsidiary agree-
 20 ments.

21 (k) PRIOR SERVICE BENEFITS PROGRAM.—Notwith-
 22 standing any other provision of law, persons who on Janu-
 23 ary 1, 1985, were eligible to receive payment under the
 24 Prior Service Benefits Program established within the So-
 25 cial Security System of the Trust Territory of the Pacific

1 Islands because of their services performed for the United
2 States Navy or the Government of the Trust Territory of
3 the Pacific Islands prior to July 1, 1968, shall continue
4 to receive such payments on and after the effective date
5 of the Compact.

6 ~~(l) INDEFINITE LAND USE PAYMENTS.—~~There are
7 authorized to be appropriated such sums as may be nec-
8 essary to complete repayment by the United States of any
9 debts owed for the use of various lands in the Federated
10 States of Micronesia and the Marshall Islands prior to
11 January 1, 1985.

12 ~~(m) COMMUNICABLE DISEASE CONTROL PRO-~~
13 ~~GRAM.—~~There are authorized to be appropriated for
14 grants to the Government of the Federated States of Mi-
15 cronesia such sums as may be necessary for purposes of
16 establishing or continuing programs for the control and
17 prevention of communicable diseases, including (but not
18 limited to) cholera and Hansen's Disease. The Secretary
19 of the Interior shall assist the Government of the Fed-
20 erated States of Micronesia and the Government of the
21 Republic of the Marshall Islands in designing and imple-
22 menting such a program.

23 ~~(n) USER FEES.—~~Any person in the Federated
24 States of Micronesia or the Republic of the Marshall Is-
25 lands shall be liable for user fees, if any, for services pro-

1 vided in the Federated States of Micronesia or the Repub-
 2 lie of the Marshall Islands by the Government of the
 3 United States to the same extent as any person in the
 4 United States would be liable for fees, if any, for such
 5 services in the United States.

6 ~~(c) TREATMENT OF JUDGMENTS OF COURTS OF THE~~
 7 ~~FEDERATED STATES OF MICRONESIA, THE REPUBLIC OF~~
 8 ~~THE MARSHALL ISLANDS, AND THE REPUBLIC OF~~
 9 ~~PALAU.—No judgment, whenever issued, of a court of the~~
 10 ~~Federated States of Micronesia, the Republic of the Mar-~~
 11 ~~shall Islands, or the Republic of Palau, against the United~~
 12 ~~States, its departments and agencies, or officials of the~~
 13 ~~United States or any other individuals acting on behalf~~
 14 ~~of the United States within the scope of their official duty,~~
 15 ~~shall be honored by the United States, or be subject to~~
 16 ~~recognition or enforcement in a court in the United States,~~
 17 ~~unless the judgment is consistent with the interpretation~~
 18 ~~by the United States of international agreements relevant~~
 19 ~~to the judgment. In determining the consistency of a judg-~~
 20 ~~ment with an international agreement, due regard shall~~
 21 ~~be given to assurances made by the Executive Branch to~~
 22 ~~the Congress of the United States regarding the proper~~
 23 ~~interpretation of the international agreement.~~

1 **SEC. 106. CONSTRUCTION CONTRACT ASSISTANCE.**

2 (a) ~~ASSISTANCE TO U.S. FIRMS.~~—In order to assist
3 the Governments of the Federated States of Micronesia
4 and of the Republic of the Marshall Islands through pri-
5 vate sector firms which may be awarded contracts for con-
6 struction or major repair of capital infrastructure within
7 the Federated States of Micronesia or the Republic of the
8 Marshall Islands, the United States shall consult with the
9 Governments of the Federated States of Micronesia and
10 the Republic of the Marshall Islands with respect to any
11 such contracts, and the United States shall enter into
12 agreements with such firms whereby such firms will, con-
13 sistent with applicable requirements of such Govern-
14 ments—

15 (1) to the maximum extent possible, employ
16 citizens of the Federated States of Micronesia and
17 the Republic of the Marshall Islands;

18 (2) to the extent that necessary skills are not
19 possessed by citizens of the Federated States of Mi-
20 cronesia and the Republic of the Marshall Islands,
21 provide on the job training, with particular emphasis
22 on the development of skills relating to operation of
23 machinery and routine and preventative maintenance
24 of machinery and other facilities; and

1 (3) provide specific training or other assistance
2 in order to enable the Government to engage in
3 long-term maintenance of infrastructure.

4 Assistance by such firms pursuant to this section may not
5 exceed 20 percent of the amount of the contract and shall
6 be made available only to such firms which meet the defi-
7 nition of United States firm under the nationality rule for
8 suppliers of services of the Agency for International Devel-
9 opment (hereafter in this section referred to as "United
10 States firms"). There are authorized to be appropriated
11 such sums as may be necessary for the purposes of this
12 subsection.

13 (b) AUTHORIZATION OF APPROPRIATIONS.—There
14 are authorized to be appropriated such sums as may be
15 necessary to cover any additional costs incurred by the
16 Government of the Federated States of Micronesia or the
17 Republic of the Marshall Islands if such Governments,
18 pursuant to an agreement entered into with the United
19 States, apply a preference on the award of contracts to
20 United States firms, provided that the amount of such
21 preference does not exceed 10 percent of the amount of
22 the lowest qualified bid from a non-United States firm for
23 such contract.

1 **SEC. 107. PROHIBITION.**

2 The provisions of chapter 11 of title 18, United
 3 States Code, shall apply in full to any individual who has
 4 served as the United States negotiator of amendments to
 5 the Compact or its subsidiary agreements or of related
 6 agreements or who is or was an officer or employee of
 7 the Office in the Department of State responsible for ne-
 8 gotiating amendments to the Compact or its subsidiary
 9 agreements or who is or was assigned or detailed to that
 10 Office or who served on the interagency group coordi-
 11 nating United States policy on the Compact negotiations.

12 **SEC. 108. COMPENSATORY ADJUSTMENTS.**

13 (a) **ADDITIONAL PROGRAMS AND SERVICES.**—In ad-
 14 dition to the programs and services set forth in Section
 15 221 of the U.S.-FSM Compact and the U.S.-RMI Com-
 16 pact, and pursuant to Section 222 of the U.S.-FSM Com-
 17 pact and the U.S.-RMI Compact, the services and pro-
 18 grams of the following United States agencies are author-
 19 ized to be made available to the Federated States of Mi-
 20 cronesia and the Republic of the Marshall Islands: the
 21 Small Business Administration, Economic Development
 22 Administration, the Rural Utilities Services (formerly
 23 Rural Electrification Administration); and the programs
 24 and services of the Department of Labor under the Work-
 25 force Investment Act of 1998; and the programs and serv-

1 ices of the Department of Commerce relating to tourism
2 and to marine resource development.

3 (b) FURTHER AMOUNTS.—

4 (1) The joint resolution of January 14, 1986
5 (Public Law 99–239) provided that the governments
6 of the Federated States of Micronesia and the Mar-
7 shall Islands may submit to Congress reports con-
8 cerning the overall financial and economic impacts
9 on such areas resulting from the effect of Title IV
10 of that joint resolution upon Title Two of the Com-
11 pact. There were authorized to be appropriated for
12 fiscal years beginning after September 30, 1990,
13 such amounts as necessary, but not to exceed \$40
14 million for the Federated States of Micronesia and
15 \$20 million for the Marshall Islands, as provided in
16 appropriation acts, to further compensate the gov-
17 ernments of such islands (in addition to the com-
18 pensation provided in subsections (a) and (b) of sec-
19 tion 111 of the joint resolution of January 14, 1986
20 (Public Law 99–239) for adverse impacts, if any, on
21 the finances and economies of such areas resulting
22 from the effect of Title IV of that joint resolution
23 upon Title Two of the Compact. The joint resolution
24 of January 14, 1986 (Public Law 99–239) further
25 provided that at the end of the initial fifteen-year

1 term of the Compact, should any portion of the total
 2 amount of funds authorized in subsection 111 of
 3 that resolution not have been appropriated, such
 4 amount not yet appropriated may be appropriated,
 5 without regard to divisions between amounts author-
 6 ized in subsection 111 for the Federated States of
 7 Micronesia and for the Marshall Islands, based on
 8 either or both such government's showing of such
 9 adverse impact, if any, as provided in that sub-
 10 section.

11 (2) The governments of the Federated States of
 12 Micronesia and the Republic of the Marshall Islands
 13 may each submit no more than one report or request
 14 for further compensation under section 111 of the
 15 joint resolution of January 14, 1986 (Public Law
 16 99-239) and any such report or request must be
 17 submitted by September 30, 2004. Only adverse eco-
 18 nomic effect occurring during the initial fifteen-year
 19 term of the Compact may be considered for com-
 20 pensation under section 111 of the joint resolution
 21 of January 14, 1986 (Public Law 99-239).

22 **SEC. 109. AUTHORIZATION AND CONTINUING APPROPRIA-**
 23 **TION.**

24 (a) There are authorized to be appropriated to the
 25 Department of the Interior such sums as are necessary

1 to carry out the purposes of sections 211, 212(b), and 215
 2 of the U.S.-FSM Compact and sections 211, 212, 213(b),
 3 and 216 of the U.S.-RMI Compact, in this and subsequent
 4 years through Fiscal Year 2023 (September 30, 2023).

5 (b) There are authorized to be appropriated to the
 6 Departments, agencies, and instrumentalities named in
 7 paragraphs (1) and (3) through (6) of section 221(a) of
 8 the U.S.-FSM Compact and paragraphs (1) and (3)
 9 through (5) of section 221(a) of the U.S.-RMI Compact,
 10 such sums as are necessary to carry out the purposes of
 11 sections 221(a) of the U.S.-FSM Compact and the U.S.-
 12 RMI Compact, to remain available until expended.

13 **SEC. 110. PAYMENT OF CITIZENS OF THE FEDERATED**
 14 **STATES OF MICRONESIA, THE REPUBLIC OF**
 15 **THE MARSHALL ISLANDS, AND THE REPUB-**
 16 **LIC OF PALAU EMPLOYED BY THE GOVERN-**
 17 **MENT OF THE UNITED STATES IN THE CONTI-**
 18 **NENTAL UNITED STATES.**

19 Section 605 of Public Law 107-67 (the Treasury and
 20 General Government Appropriations Act, 2002) is amend-
 21 ed by striking “or the Republic of the Philippines,” in the
 22 last sentence and inserting the following: “the Republic
 23 of the Philippines, the Federated States of Micronesia, the
 24 Republic of the Marshall Islands, or the Republic of
 25 Palau.”.

1 **SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.**

2 (a) *SHORT TITLE.*—*This joint resolution, together*
 3 *with the table of contents in subsection (b) of this section,*
 4 *may be cited as the “Compact of Free Association Amend-*
 5 *ments Act of 2003”.*

6 (b) *TABLE OF CONTENTS.*—*The table of contents for*
 7 *this joint resolution is as follows:*

*TITLE I—APPROVAL OF U.S.-FSM COMPACT AND U.S.-RMI COMPACT;
 INTERPRETATION OF, AND U.S. POLICIES REGARDING, U.S.-FSM
 COMPACT AND U.S.-RMI COMPACT; SUPPLEMENTAL PROVISIONS*

*Sec. 101. Approval of U.S.-FSM Compact of Free Association and U.S.-RMI
 Compact of Free Association.*

- (a) *Federated States of Micronesia.*
- (b) *Republic of the Marshall Islands.*
- (c) *References to the Compact, the U.S.-FSM Compact and the
 U.S.-RMI Compact; References to Subsidiary Agreements or
 Separate Agreements.*
- (d) *Amendment, Change, or Termination in the U.S.-FSM Com-
 pact, the U.S.-RMI Compact and Certain Agreements.*
- (e) *Subsidiary Agreements Deemed Bilateral.*
- (f) *Entry Into Force of Future Amendments to Subsidiary Agree-
 ments.*

Sec. 102. Agreements With Federated States of Micronesia.

- (a) *Law Enforcement Assistance.*
- (b) *Agreement on Audits.*

*Sec. 103. Agreements With and Other Provisions Related to the Republic of the
 Marshall Islands.*

- (a) *Law Enforcement Assistance.*
- (b) *EJIT.*
- (c) *Section 177 Agreement.*
- (d) *Nuclear Test Effects.*
- (e) *Espousal Provisions.*
- (f) *DOE Radiological Health Care Program; USDA Agricultural
 and Food Programs.*
- (g) *Rongelap.*
- (h) *Four Atoll Health Care Program.*
- (i) *Enjebi Community Trust Fund.*
- (j) *Bikini Atoll Cleanup.*
- (k) *Agreement on Audits.*
- (l) *Kwajalein.*

*Sec. 104. Interpretation of and United States Policy Regarding U.S.-FSM Com-
 pact and U.S.-RMI Compact.*

- (a) *Human Rights.*
- (b) *Immigration and Passport Security.*
- (c) *Nonalienation of Lands.*
- (d) *Nuclear Waste Disposal.*
- (e) *Impact of Compacts on the State of Hawaii, Guam, the Commonwealth of the Northern Mariana Islands and American Samoa; Related Authorization and Continuing Appropriation.*
- (f) *Foreign Loans.*
- (g) *Sense of Congress Concerning Funding of Public Infrastructure.*
- (h) *Reports and Reviews.*
- (i) *Construction of Section 141(f).*
- (j) *Construction of Section 216 of the U.S.-FSM Compact.*
- (k) *Construction of Section 217 of the U.S.-RMI Compact.*
- (l) *Inflation Adjustment.*
- (m) *Promotion of Telecommunications.*
- (n) *Participation by Secondary Schools in the Armed Services Vocational Aptitude Battery (ASVAB) Student Testing Program.*

Sec. 105. Supplemental Provisions.

- (a) *Domestic Program Requirements.*
- (b) *Relations With the Federated States of Micronesia and the Republic of the Marshall Islands.*
- (c) *Continuing Trust Territory Authorization.*
- (d) *Survivability.*
- (e) *Noncompliance Sanctions; Actions Incompatible With United States Authority.*
- (f) *Continuing Programs and Laws.*
- (g) *College of Micronesia.*
- (h) *Trust Territory Debts to U.S. Federal Agencies.*
- (i) *Judicial Training.*
- (j) *Technical Assistance.*
- (k) *Prior Service Benefits Program.*
- (l) *Indefinite Land Use Payments.*
- (m) *Communicable Disease Control Program.*
- (n) *User Fees.*
- (o) *Treatment of Judgments of Courts of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.*
- (p) *Establishment of Trust Funds; Expedition of Process.*

Sec. 106. Construction Contract Assistance.

- (a) *Assistance to U.S. Firms.*
- (b) *Authorization of Appropriations.*

Sec. 107. Prohibition.

Sec. 108. Compensatory Adjustments.

- (a) *Additional Programs and Services.*
- (b) *Further Amounts.*

Sec. 109. Authorization and Continuing Appropriation.

Sec. 110. Payment of Citizens of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau Employed by the Government of the United States in the Continental United States.

TITLE II—COMPACTS OF FREE ASSOCIATION WITH THE FEDERATED STATES OF MICRONESIA AND THE REPUBLIC OF THE MARSHALL ISLANDS

Sec. 201. Compacts of Free Association, as Amended Between the Government of the United States of America and the Government of the Federated States of Micronesia and Between the Government of the United States of America and the Government of the Republic of the Marshall Islands.

(a) Compact of Free Association as amended between the Government of the United States of America and the Government of the Federated States of Micronesia.

Title One—Governmental Relations

Article I—Self-Government.

Article II—Foreign Affairs.

Article III—Communications.

Article IV—Immigration.

Article V—Representation.

Article VI—Environmental Protection.

Article VII—General Legal Provisions.

Title Two—Economic Relations

Article I—Grant Assistance.

Article II—Services and Program Assistance.

Article III—Administrative Provisions.

Article IV—Trade.

Article V—Finance and Taxation.

Title Three—Security and Defense Relations

Article I—Authority and Responsibility.

Article II—Defense Facilities and Operating Rights.

Article III—Defense Treaties and International Security Agreements.

Article IV—Service in Armed Forces of the United States.

Article V—General Provisions.

Title Four—General Provisions

Article I—Approval and Effective Date.

Article II—Conference and Dispute Resolution.

Article III—Amendment.

Article IV—Termination.

Article V—Survivability.

Article VI—Definition of Terms.

Article VII—Concluding Provisions.

(b) Compact of Free Association, as amended, between the Government of the United States of America and the Government of the Republic of the Marshall Islands.

Title One—Governmental Relations

Article I—Self-Government.

Article II—Foreign Affairs.

Article III—Communications.

Article IV—Immigration.

Article V—Representation.

Article VI—Environmental Protection.

Article VII—General Legal Provisions.

Title Two—Economic Relations

Article I—Grant Assistance.

Article II—Services and Program Assistance.

Article III—Administrative Provisions.

Article IV—Trade.

Article V—Finance and Taxation.

Title Three—Security and Defense Relations

Article I—Authority and Responsibility.

Article II—Defense Facilities and Operating Rights.

Article III—Defense Treaties and International Security Agreements.

Article IV—Service in Armed Forces of the United States.

Article V—General Provisions.

Title Four—General Provisions

Article I—Approval and Effective Date.

Article II—Conference and Dispute Resolution.

Article III—Amendment.

Article IV—Termination.

Article V—Survivability.

Article VI—Definition of Terms.

Article VII—Concluding Provisions.

1 ***TITLE I—APPROVAL OF U.S.-FSM***
 2 ***COMPACT AND U.S.-RMI COM-***
 3 ***PACT; INTERPRETATION OF,***
 4 ***AND U.S. POLICIES REGARD-***
 5 ***ING, U.S.-FSM COMPACT AND***
 6 ***U.S.-RMI COMPACT; SUPPLE-***
 7 ***MENTAL PROVISIONS***

8 ***SEC. 101. APPROVAL OF U.S.-FSM COMPACT OF FREE ASSO-***
 9 ***CIATION AND THE U.S.-RMI COMPACT OF***
 10 ***FREE ASSOCIATION; REFERENCES TO SUB-***
 11 ***SIDIARY AGREEMENTS OR SEPARATE AGREE-***
 12 ***MENTS.***

13 *(a) FEDERATED STATES OF MICRONESIA.—The Com-*
 14 *pact of Free Association, as amended with respect to the*
 15 *Federated States of Micronesia and signed by the United*
 16 *States and the Government of the Federated States of Micro-*
 17 *nesia and set forth in Title II (section 201(a)) of this joint*
 18 *resolution, is hereby approved, and Congress hereby con-*
 19 *sents to the subsidiary agreements and amended subsidiary*
 20 *agreements listed in section 462 of the U.S.-FSM Compact.*
 21 *Subject to the provisions of this joint resolution, the Presi-*
 22 *dent is authorized to agree, in accordance with section 411*

1 *of the U.S.-FSM Compact, to an effective date for and there-*
 2 *after to implement such U.S.-FSM Compact.*

3 (b) *REPUBLIC OF THE MARSHALL ISLANDS.—The*
 4 *Compact of Free Association, as amended with respect to*
 5 *the Republic of the Marshall Islands and signed by the*
 6 *United States and the Government of the Republic of the*
 7 *Marshall Islands and set forth in Title II (section 201(b))*
 8 *of this joint resolution, is hereby approved, and Congress*
 9 *hereby consents to the subsidiary agreements and amended*
 10 *subsidiary agreements listed in section 462 of the U.S.-RMI*
 11 *Compact. Subject to the provisions of this joint resolution,*
 12 *the President is authorized to agree, in accordance with sec-*
 13 *tion 411 of the U.S.-RMI Compact, to an effective date for*
 14 *and thereafter to implement such U.S.-RMI Compact.*

15 (c) *REFERENCES TO THE COMPACT, THE U.S.-FSM*
 16 *COMPACT, AND THE U.S.-RMI COMPACT; REFERENCES TO*
 17 *SUBSIDIARY AGREEMENTS OR SEPARATE AGREEMENTS.—*

18 (1) *Any reference in this joint resolution (except*
 19 *references in Title II) to “the Compact” shall be treat-*
 20 *ed as a reference to the Compact of Free Association*
 21 *set forth in title II of Public Law 99–239, January*
 22 *14, 1986, 99 Stat. 1770. Any reference in this joint*
 23 *resolution to the “U.S.-FSM Compact” shall be treat-*
 24 *ed as a reference to the Compact of Free Association,*
 25 *as amended between the Government of the United*

1 *States of America and the Government of the Fed-*
 2 *erated States of Micronesia and set forth in Title II*
 3 *(section 201(a)) of this joint resolution. Any reference*
 4 *in this joint resolution to the “U.S.-RMI Compact”*
 5 *shall be treated as a reference to the Compact of Free*
 6 *Association, as amended between the Government of*
 7 *the United States of America and the Government of*
 8 *the Republic of the Marshall Islands and set forth in*
 9 *Title II (section 201(b)) of this joint resolution.*

10 (2) *Any reference to the term “subsidiary agree-*
 11 *ments” or “separate agreements” in this joint resolu-*
 12 *tion shall be treated as a reference to agreements list-*
 13 *ed in section 462 of the U.S.-FSM Compact and the*
 14 *U.S.-RMI Compact, and any other agreements that*
 15 *the United States may from time to time enter into*
 16 *with either the Government of the Federated States of*
 17 *Micronesia or the Government of the Republic of the*
 18 *Marshall Islands, or with both such governments in*
 19 *accordance with the provisions of the U.S.-FSM Com-*
 20 *pact and the U.S.-RMI Compact.*

21 (d) *AMENDMENT, CHANGE, OR TERMINATION IN THE*
 22 *U.S.-FSM COMPACT AND U.S.-RMI COMPACT AND CER-*
 23 *TAIN AGREEMENTS.—*

24 (1) *Any amendment, change, or termination by*
 25 *mutual agreement or by unilateral action of the Gov-*

1 *ernment of the United States of all or any part of the*
2 *U.S.-FSM Compact or U.S.-RMI Compact shall not*
3 *enter into force until after Congress has incorporated*
4 *it in an Act of Congress.*

5 (2) *The provisions of paragraph (1) shall*
6 *apply—*

7 (A) *to all actions of the Government of the*
8 *United States under the U.S.-FSM Compact or*
9 *U.S.-RMI Compact including, but not limited to,*
10 *actions taken pursuant to sections 431, 441, or*
11 *442;*

12 (B) *to any amendment, change, or termi-*
13 *nation in the Agreement Between the Govern-*
14 *ment of the United States and the Government*
15 *of the Federated States of Micronesia Regarding*
16 *Friendship, Cooperation and Mutual Security*
17 *Concluded Pursuant to Sections 321 and 323 of*
18 *the Compact of Free Association referred to in*
19 *section 462(a)(2) of the U.S.-FSM Compact and*
20 *the Agreement Between the Government of the*
21 *United States and the Government of the Mar-*
22 *shall Islands Regarding Mutual Security Con-*
23 *cluded Pursuant to Sections 321 and 323 of the*
24 *Compact of Free Association referred to in sec-*
25 *tion 462(a)(5) of the U.S.-RMI Compact;*

1 (C) to any amendment, change, or termi-
 2 nation of the agreements concluded pursuant to
 3 Compact section 177, and section 215(a) of the
 4 U.S.-FSM Compact and section 216(a) of the
 5 U.S.-RMI Compact, the terms of which are in-
 6 corporated by reference into the U.S.-FSM Com-
 7 pact and the U.S.-RMI Compact; and

8 (D) to the following subsidiary agreements,
 9 or portions thereof:

10 (i) Articles III, IV, and X of the agree-
 11 ment referred to in section 462(b)(6) of the
 12 U.S.-RMI Compact:

13 (ii) Article III and IV of the agreement
 14 referred to in section 462(b)(6) of the U.S.-
 15 FSM Compact.

16 (iii) Articles VI, XV, and XVII of the
 17 agreement referred to in section 462(b)(7) of
 18 the U.S.-FSM Compact and U.S.-RMI
 19 Compact.

20 (e) *SUBSIDIARY AGREEMENTS DEEMED BILATERAL.*—

21 For purposes of implementation of the U.S.-FSM Compact
 22 and the U.S.-RMI Compact and this joint resolution, the
 23 Agreement Concluded Pursuant to Section 234 of the Com-
 24 pact of Free Association and referred to in section 462(a)(1)
 25 of the U.S.-FSM Compact and section 462(a)(4) of the U.S.-

1 *RMI Compact shall be deemed to be a bilateral agreement*
 2 *between the United States and each other party to such sub-*
 3 *sidary agreement. The consent or concurrence of any other*
 4 *party shall not be required for the effectiveness of any ac-*
 5 *tions taken by the United States in conjunction with either*
 6 *the Federated States of Micronesia or the Republic of the*
 7 *Marshall Islands which are intended to affect the implemen-*
 8 *tation, modification, suspension, or termination of such*
 9 *subsidiary agreement (or any provision thereof) as regards*
 10 *the mutual responsibilities of the United States and the*
 11 *party in conjunction with whom the actions are taken.*

12 (f) *ENTRY INTO FORCE OF FUTURE AMENDMENTS TO*
 13 *SUBSIDIARY AGREEMENTS.—No agreement between the*
 14 *United States and the government of either the Federated*
 15 *States of Micronesia or the Republic of the Marshall Islands*
 16 *which would amend, change, or terminate any subsidiary*
 17 *agreement or portion thereof, other than those set forth in*
 18 *subsection (d) of this section shall enter into force until after*
 19 *the President has transmitted such agreement to the Presi-*
 20 *dent of the Senate and the Speaker of the House of Rep-*
 21 *resentatives together with an explanation of the agreement*
 22 *and the reasons therefor. In the case of the agreement re-*
 23 *ferred to in section 462(b)(3) of the U.S.-FSM Compact and*
 24 *the U.S.-RMI Compact, such transmittal shall include a*
 25 *specific statement by the Secretary of Labor as to the neces-*

1 *sity of such amendment, change, or termination, and the*
 2 *impact thereof.*

3 **SEC. 102. AGREEMENTS WITH FEDERATED STATES OF MI-**
 4 **CRONESIA.**

5 (a) *LAW ENFORCEMENT ASSISTANCE.*—Pursuant to
 6 *sections 222 and 224 of the U.S.-FSM Compact, the United*
 7 *States shall provide non-reimbursable technical and train-*
 8 *ing assistance as appropriate, including training and*
 9 *equipment for postal inspection of illicit drugs and other*
 10 *contraband, to enable the Government of the Federated*
 11 *States of Micronesia to develop and adequately enforce laws*
 12 *of the Federated States of Micronesia and to cooperate with*
 13 *the United States in the enforcement of criminal laws of*
 14 *the United States. Funds appropriated pursuant to section*
 15 *105(j) of this title may be used to reimburse State or local*
 16 *agencies providing such assistance.*

17 (b) *AGREEMENT ON AUDITS.*—The Comptroller Gen-
 18 *eral (and his duly authorized representatives) shall have the*
 19 *authorities necessary to carry out his responsibilities under*
 20 *section 232 of the U.S.-FSM Compact and the agreement*
 21 *referred to in section 462(b)(4) of the U.S.-FSM Compact,*
 22 *including the following authorities:*

23 (1) *GENERAL AUTHORITY OF THE COMPTROLLER*
 24 *GENERAL TO AUDIT.*—

1 (A) *The Comptroller General of the United*
2 *States (and his duly authorized representatives)*
3 *shall have the authority to audit—*

4 (i) *all grants, program assistance, and*
5 *other assistance provided to the Government*
6 *of the Federated States of Micronesia under*
7 *Articles I and II of Title Two of the U.S.-*
8 *FSM Compact; and*

9 (ii) *any other assistance provided by*
10 *the Government of the United States to the*
11 *Government of the Federated States of Mi-*
12 *cronesia.*

13 *Such authority shall include authority for the*
14 *Comptroller General to conduct or cause to be*
15 *conducted any of the audits provided for in sec-*
16 *tion 232 of the U.S.-FSM Compact. The author-*
17 *ity provided in this paragraph shall continue for*
18 *at least three years after the last such grant has*
19 *been made or assistance has been provided.*

20 (B) *The Comptroller General (and his duly*
21 *authorized representatives) shall also have au-*
22 *thority to review any audit conducted by or on*
23 *behalf of the Government of the United States. In*
24 *this connection, the Comptroller General shall*
25 *have access to such personnel and to such*

1 *records, documents, working papers, automated*
2 *data and files, and other information relevant to*
3 *such review.*

4 (2) *COMPTROLLER GENERAL ACCESS TO*
5 *RECORDS.—*

6 (A) *In carrying out paragraph (1), the*
7 *Comptroller General (and his duly authorized*
8 *representatives) shall have such access to the per-*
9 *sonnel and (without cost) to records, documents,*
10 *working papers, automated data and files, and*
11 *other information relevant to such audits. The*
12 *Comptroller General may duplicate any such*
13 *records, documents, working papers, automated*
14 *data and files, or other information relevant to*
15 *such audits.*

16 (B) *Such records, documents, working pa-*
17 *pers, automated data and files, and other infor-*
18 *mation regarding each such grant or other as-*
19 *sistance shall be maintained for at least five*
20 *years after the date such grant or assistance was*
21 *provided and in a manner that permits such*
22 *grants, assistance, and payments to be accounted*
23 *for distinct from any other funds of the Govern-*
24 *ment of the Federated States of Micronesia.*

1 (3) *STATUS OF COMPTROLLER GENERAL REP-*
 2 *RESENTATIVES.—The Comptroller General and his*
 3 *duly authorized representatives shall be immune from*
 4 *civil and criminal process relating to words spoken or*
 5 *written and all acts performed by them in their offi-*
 6 *cial capacity and falling within their functions, ex-*
 7 *cept insofar as such immunity may be expressly*
 8 *waived by the Government of the United States. The*
 9 *Comptroller General and his duly authorized rep-*
 10 *resentatives shall not be liable to arrest or detention*
 11 *pending trial, except in the case of a grave crime and*
 12 *pursuant to a decision by a competent judicial au-*
 13 *thority, and such persons shall enjoy immunity from*
 14 *seizure of personal property, immigration restrictions,*
 15 *and laws relating to alien registration,*
 16 *fingerprinting, and the registration of foreign agents.*
 17 *Such persons shall enjoy the same taxation exemp-*
 18 *tions as are set forth in Article 34 of the Vienna Con-*
 19 *vention on Diplomatic Relations. The privileges, ex-*
 20 *emptions and immunities accorded under this para-*
 21 *graph are not for the personal benefit of the individ-*
 22 *uals concerned but are to safeguard the independent*
 23 *exercise of their official functions. Without prejudice*
 24 *to those privileges, exemptions and immunities, it is*
 25 *the duty of all such persons to respect the laws and*

1 *regulations of the Government of the Federated States*
 2 *of Micronesia.*

3 (4) *AUDITS DEFINED.—As used in this sub-*
 4 *section, the term “audits” includes financial, pro-*
 5 *gram, and management audits, including deter-*
 6 *mining—*

7 (A) *whether the Government of the Fed-*
 8 *erated States of Micronesia has met the require-*
 9 *ments set forth in the U.S.-FSM Compact, or*
 10 *any related agreement entered into under the*
 11 *U.S.-FSM Compact, regarding the purposes for*
 12 *which such grants and other assistance are to be*
 13 *used; and*

14 (B) *the propriety of the financial trans-*
 15 *actions of the Government of the Federated*
 16 *States of Micronesia pursuant to such grants or*
 17 *assistance.*

18 (5) *COOPERATION BY FEDERATED STATES OF MI-*
 19 *CRONESIA.—The Government of the Federated States*
 20 *of Micronesia will cooperate fully with the Comp-*
 21 *troller General of the United States in the conduct of*
 22 *such audits as the Comptroller General determines*
 23 *necessary to enable the Comptroller General to fully*
 24 *discharge his responsibilities under this joint resolu-*
 25 *tion.*

1 **SEC. 103. AGREEMENTS WITH AND OTHER PROVISIONS RE-**
 2 **LATED TO THE REPUBLIC OF THE MARSHALL**
 3 **ISLANDS.**

4 (a) *LAW ENFORCEMENT ASSISTANCE.*—Pursuant to
 5 sections 222 and 224 of the U.S.-RMI Compact, the United
 6 States shall provide non-reimbursable technical and train-
 7 ing assistance as appropriate, including training and
 8 equipment for postal inspection of illicit drugs and other
 9 contraband, to enable the Government of the Marshall Is-
 10 lands to develop and adequately enforce laws of the Mar-
 11 shall Islands and to cooperate with the United States in
 12 the enforcement of criminal laws of the United States.
 13 Funds appropriated pursuant to section 105(j) of this title
 14 may be used to reimburse State or local agencies providing
 15 such assistance.

16 (b) *EJIT.*—

17 (1) *In the joint resolution of January 14, 1986*
 18 *(Public Law 99–239) Congress provided that the*
 19 *President of the United States shall negotiate with the*
 20 *Government of the Marshall Islands an agreement*
 21 *whereby, without prejudice as to any claims which*
 22 *have been or may be asserted by any party as to*
 23 *rightful title and ownership of any lands on Ejit, the*
 24 *Government of the Marshall Islands shall assure that*
 25 *lands on Ejit used as of January 1, 1985, by the peo-*
 26 *ple of Bikini, will continue to be available without*

1 *charge for their use, until such time as Bikini is re-*
 2 *stored and inhabitable and the continued use of Ejit*
 3 *is no longer necessary, unless a Marshall Islands*
 4 *court of competent jurisdiction finally determines that*
 5 *there are legal impediments to continued use of Ejit*
 6 *by the people of Bikini.*

7 *(2) In the joint resolution of January 14, 1986*
 8 *(Public Law 99-239) Congress provided that if the*
 9 *impediments described in paragraph (1) do arise, the*
 10 *United States will cooperate with the Government of*
 11 *the Marshall Islands in assisting any person ad-*
 12 *versely affected by such judicial determination to re-*
 13 *main on Ejit, or in locating suitable and acceptable*
 14 *alternative lands for such person's use.*

15 *(3) In the joint resolution of January 14, 1986*
 16 *(Public Law 99-239) Congress provided that para-*
 17 *graph (1) shall not be applied in a manner which*
 18 *would prevent the Government of the Marshall Islands*
 19 *from acting in accordance with its constitutional*
 20 *processes to resolve title and ownership claims with*
 21 *respect to such lands or from taking substitute or ad-*
 22 *ditional measures to meet the needs of the people of*
 23 *Bikini with their democratically expressed consent*
 24 *and approval.*

25 *(c) SECTION 177 AGREEMENT.—*

1 (1) *In the joint resolution of January 14, 1986*
2 *(Public Law 99–239) Congress provided that in fur-*
3 *therance of the purposes of Article I of the Subsidiary*
4 *Agreement for Implementation of Section 177 of the*
5 *Compact, the payment of the amount specified therein*
6 *shall be made by the United States under Article I of*
7 *the Agreement between the Government of the United*
8 *States and the Government of the Marshall Islands*
9 *for the Implementation of section 177 of the Compact*
10 *(hereafter in this subsection referred to as the “Sec-*
11 *tion 177 Agreement”)* *only after the Government of*
12 *the Marshall Islands has notified the President of the*
13 *United States as to which investment management*
14 *firm has been selected by such Government to act as*
15 *Fund Manager under Article I of the Section 177*
16 *Agreement.*

17 (2) *In the joint resolution of January 14, 1986*
18 *(Public Law 99–239) Congress provided that in the*
19 *event that the President determines that an invest-*
20 *ment management firm selected by the Government of*
21 *the Marshall Islands does not meet the requirements*
22 *specified in Article I of the Section 177 Agreement,*
23 *the United States shall invoke the conference and dis-*
24 *pute resolution procedures of Article II of Title Four*
25 *of the Compact. Pending the resolution of such a dis-*

1 ~~pute and until a qualified Fund Manager has been~~
 2 ~~designated, the Government of the Marshall Islands~~
 3 ~~shall place the funds paid by the United States pur-~~
 4 ~~suant to Article I of the Section 177 Agreement into~~
 5 ~~an interest-bearing escrow account. Upon designation~~
 6 ~~of a qualified Fund Manager, all funds in the escrow~~
 7 ~~account shall be transferred to the control of such~~
 8 ~~Fund Manager for management pursuant to the Sec-~~
 9 ~~tion 177 Agreement.~~

10 (3) *In the joint resolution of January 14, 1986*
 11 *(Public Law 99-239) Congress provided that if the*
 12 *Government of the Marshall Islands determines that*
 13 *some other investment firm should act as Fund Man-*
 14 *ager in place of the firm first (or subsequently) se-*
 15 *lected by such Government, the Government of the*
 16 *Marshall Islands shall so notify the President of the*
 17 *United States, identifying the firm selected by such*
 18 *Government to become Fund Manager, and the Presi-*
 19 *dent shall proceed to evaluate the qualifications of*
 20 *such identified firm.*

21 (4) *In the joint resolution of January 14, 1986*
 22 *(Public Law 99-239) Congress provided that at the*
 23 *end of 15 years after the effective date of the Compact,*
 24 *the firm then acting as Fund Manager shall transfer*
 25 *to the Government of the Marshall Islands, or to such*

1 *account as such Government shall so notify the Fund*
2 *Manager, all remaining funds and assets being man-*
3 *aged by the Fund Manager under the Section 177*
4 *Agreement.*

5 *(d) NUCLEAR TEST EFFECTS.—In the joint resolution*
6 *of January 14, 1986 (Public Law 99–239) Congress pro-*
7 *vided that in approving the Compact, the Congress under-*
8 *stands and intends that the peoples of Bikini, Enewetak,*
9 *Rongelap, and Utrik, who were affected by the United*
10 *States nuclear weapons testing program in the Marshall Is-*
11 *lands, will receive the amounts of \$75,000,000 (Bikini);*
12 *\$48,750,000 (Enewetak); \$37,500,000 (Rongelap); and*
13 *\$22,500,000 (Utrik), respectively, which amounts shall be*
14 *paid out of proceeds from the fund established under Article*
15 *I, section 1 of the subsidiary agreement for the implementa-*
16 *tion of section 177 of the Compact. The amounts specified*
17 *in this subsection shall be in addition to any amounts*
18 *which may be awarded to claimants pursuant to Article*
19 *IV of the subsidiary agreement for the implementation of*
20 *Section 177 of the Compact. Nothing in this subsection cre-*
21 *ates any rights or obligations beyond those provided for in*
22 *the original enacted version of Public Law 99–239.*

23 *(e) ESPOUSAL PROVISIONS.—*

24 *(1) In the joint resolution of January 14, 1986*
25 *(Public Law 99–239) Congress provided that it is the*

1 *intention of the Congress of the United States that the*
 2 *provisions of section 177 of the Compact of Free Asso-*
 3 *ciation and the Agreement between the Government of*
 4 *the United States and the Government of the Marshall*
 5 *Islands for the Implementation of Section 177 of the*
 6 *Compact (hereafter in this subsection referred to as*
 7 *the “Section 177 Agreement”) constitute a full and*
 8 *final settlement of all claims described in Articles X*
 9 *and XI of the Section 177 Agreement, and that any*
 10 *such claims be terminated and barred except insofar*
 11 *as provided for in the Section 177 Agreement.*

12 *(2) In the joint resolution of January 14, 1986*
 13 *(Public Law 99–239) Congress provided that in fur-*
 14 *therance of the intention of Congress as stated in*
 15 *paragraph (1) of this subsection, the Section 177*
 16 *Agreement is hereby ratified and approved. It is the*
 17 *explicit understanding and intent of Congress that the*
 18 *jurisdictional limitations set forth in Article XII of*
 19 *such Agreement are enacted solely and exclusively to*
 20 *accomplish the objective of Article X of such Agree-*
 21 *ment and only as a clarification of the effect of Arti-*
 22 *cle X, and are not to be construed or implemented*
 23 *separately from Article X.*

24 *(f) DOE RADIOLOGICAL HEALTH CARE PROGRAM;*
 25 *USDA AGRICULTURAL AND FOOD PROGRAMS.—*

(1) *MARSHALL ISLANDS PROGRAM.*—Notwithstanding any other provision of law, upon the request of the Government of the Republic of the Marshall Islands, the President (either through an appropriate department or agency of the United States or by contract with a United States firm) shall continue to provide special medical care and logistical support thereto for the remaining members of the population of Rongelap and Utrik who were exposed to radiation resulting from the 1954 United States thermo-nuclear “Bravo” test, pursuant to Public Laws 95–134 and 96–205.

(2) *AGRICULTURAL AND FOOD PROGRAMS.*—

(A) *IN GENERAL.*—In the joint resolution of January 14, 1986 (Public Law 99–239) Congress provided that notwithstanding any other provision of law, upon the request of the Government of the Marshall Islands, for the first fifteen years after the effective date of the Compact, the President (either through an appropriate department or agency of the United States or by contract with a United States firm or by a grant to the Government of the Republic of the Marshall Islands which may further contract only with a United States firm or a Republic of the

1 *Marshall Islands firm, the owners, officers and*
 2 *majority of the employees of which are citizens*
 3 *of the United States or the Republic of the Mar-*
 4 *shall Islands) shall provide technical and other*
 5 *assistance—*

6 *(i) without reimbursement, to continue*
 7 *the planting and agricultural maintenance*
 8 *program on Enewetak, as provided in sub-*
 9 *paragraph (C); and*

10 *(ii) without reimbursement, to con-*
 11 *tinue the food programs of the Bikini and*
 12 *Enewetak people described in section 1(d) of*
 13 *Article II of the Subsidiary Agreement for*
 14 *the Implementation of Section 177 of the*
 15 *Compact and for continued waterborne*
 16 *transportation of agricultural products to*
 17 *Enewetak including operations and mainte-*
 18 *nance of the vessel used for such purposes.*

19 *(B) POPULATION CHANGES.—The President*
 20 *shall ensure the assistance provided under these*
 21 *programs reflects the changes in the population*
 22 *since the inception of such programs.*

23 *(C) PLANTING AND AGRICULTURAL MAINTEN-*
 24 *NANCE PROGRAM.—*

1 (i) *IN GENERAL.*—*The planting and*
 2 *agricultural maintenance program on*
 3 *Enewetak shall be funded at a level of not*
 4 *less than \$1,300,000 per year, as adjusted*
 5 *for inflation under section 218 of the U.S.-*
 6 *RMI Compact.*

7 (ii) *AUTHORIZATION AND CONTINUING*
 8 *APPROPRIATION.*—*There is hereby author-*
 9 *ized and appropriated to the Secretary of*
 10 *the Interior, out of any funds in the Treas-*
 11 *ury not otherwise appropriated, to remain*
 12 *available until expended, for each fiscal*
 13 *year from 2004 through 2023, \$1,300,000,*
 14 *as adjusted for inflation under section 218*
 15 *of the U.S.-RMI Compact, for grants to*
 16 *carry out the planting and agricultural*
 17 *maintenance program.*

18 (3) *PAYMENTS.*—*In the joint resolution of Janu-*
 19 *ary 14, 1986 (Public Law 99–239) Congress provided*
 20 *that payments under this subsection shall be provided*
 21 *to such extent or in such amounts as are necessary for*
 22 *services and other assistance provided pursuant to*
 23 *this subsection. It is the sense of Congress that after*
 24 *the periods of time specified in paragraphs (1) and*
 25 *(2) of this subsection, consideration will be given to*

1 *such additional funding for these programs as may be*
2 *necessary.*

3 *(g) RONGELAP.—*

4 *(1) In the joint resolution of January 14, 1986*
5 *(Public Law 99–239) Congress provided that because*
6 *Rongelap was directly affected by fallout from a 1954*
7 *United States thermonuclear test and because the*
8 *Rongelap people remain unconvinced that it is safe to*
9 *continue to live on Rongelap Island, it is the intent*
10 *of Congress to take such steps (if any) as may be nec-*
11 *essary to overcome the effects of such fallout on the*
12 *habitability of Rongelap Island, and to restore*
13 *Rongelap Island, if necessary, so that it can be safely*
14 *inhabited. Accordingly, it is the expectation of the*
15 *Congress that the Government of the Marshall Islands*
16 *shall use such portion of the funds specified in Article*
17 *II, section 1(e) of the subsidiary agreement for the*
18 *implementation of section 177 of the Compact as are*
19 *necessary for the purpose of contracting with a quali-*
20 *fied scientist or group of scientists to review the data*
21 *collected by the Department of Energy relating to ra-*
22 *diation levels and other conditions on Rongelap Is-*
23 *land resulting from the thermonuclear test. It is the*
24 *expectation of the Congress that the Government of the*
25 *Marshall Islands, after consultation with the people of*

1 *Rongelap, shall select the party to review such data,*
2 *and shall contract for such review and for submission*
3 *of a report to the President of the United States and*
4 *the Congress as to the results thereof.*

5 *(2) In the joint resolution of January 14, 1986*
6 *(Public Law 99–239) Congress provided that the pur-*
7 *pose of the review referred to in paragraph (1) of this*
8 *subsection shall be to establish whether the data cited*
9 *in support of the conclusions as to the habitability of*
10 *Rongelap Island, as set forth in the Department of*
11 *Energy report entitled: “The Meaning of Radiation*
12 *for Those Atolls in the Northern Part of the Marshall*
13 *Islands That Were Surveyed in 1978”, dated Novem-*
14 *ber 1982, are adequate and whether such conclusions*
15 *are fully supported by the data. If the party review-*
16 *ing the data concludes that such conclusions as to*
17 *habitability are fully supported by adequate data, the*
18 *report to the President of the United States and the*
19 *Congress shall so state. If the party reviewing the*
20 *data concludes that the data are inadequate to sup-*
21 *port such conclusions as to habitability or that such*
22 *conclusions as to habitability are not fully supported*
23 *by the data, the Government of the Marshall Islands*
24 *shall contract with an appropriate scientist or group*
25 *of scientists to undertake a complete survey of radi-*

1 *ation and other effects of the nuclear testing program*
2 *relating to the habitability of Rongelap Island. Such*
3 *sums as are necessary for such survey and report con-*
4 *cerning the results thereof and as to steps needed to*
5 *restore the habitability of Rongelap Island are au-*
6 *thorized to be made available to the Government of*
7 *the Marshall Islands.*

8 *(3) In the joint resolution of January 14, 1986*
9 *(Public Law 99–239) Congress provided that it is the*
10 *intent of Congress that such steps (if any) as are nec-*
11 *essary to restore the habitability of Rongelap Island*
12 *and return the Rongelap people to their homeland*
13 *will be taken by the United States in consultation*
14 *with the Government of the Marshall Islands and, in*
15 *accordance with its authority under the Constitution*
16 *of the Marshall Islands, the Rongelap local govern-*
17 *ment council.*

18 *(4) There is hereby authorized and appropriated*
19 *to the Secretary of the Interior, out of any funds in*
20 *the Treasury not otherwise appropriated, to remain*
21 *available until expended, for fiscal year 2005,*
22 *\$5,300,000 as the final contribution of the United*
23 *States to the Rongelap Resettlement Trust Fund as*
24 *established pursuant to Public Law 102–154 (105*
25 *Stat. 1009), for the purposes of establishing a food*

1 *importation program as a part of the overall resettlement*
 2 *program of Rongelap Island.*

3 *(h) FOUR ATOLL HEALTH CARE PROGRAM.—*

4 *(1) In the joint resolution of January 14, 1986*
 5 *(Public Law 99–239) Congress provided that services*
 6 *provided by the United States Public Health Service*
 7 *or any other United States agency pursuant to sec-*
 8 *tion 1(a) of Article II of the Agreement for the Imple-*
 9 *mentation of Section 177 of the Compact (hereafter in*
 10 *this subsection referred to as the “Section 177 Agree-*
 11 *ment”)* *shall be only for services to the people of the*
 12 *Atolls of Bikini, Enewetak, Rongelap, and Utrik who*
 13 *were affected by the consequences of the United States*
 14 *nuclear testing program, pursuant to the program de-*
 15 *scribed in Public Law 95–134 (91 Stat. 1159) and*
 16 *Public Law 96–205 (94 Stat. 84) and their descend-*
 17 *ants (and any other persons identified as having been*
 18 *so affected if such identification occurs in the manner*
 19 *described in such public laws). Nothing in this sub-*
 20 *section shall be construed as prejudicial to the views*
 21 *or policies of the Government of the Marshall Islands*
 22 *as to the persons affected by the consequences of the*
 23 *United States nuclear testing program.*

24 *(2) In the joint resolution of January 14, 1986*
 25 *(Public Law 99–239) Congress provided that at the*

1 *end of the first year after the effective date of the*
2 *Compact and at the end of each year thereafter, the*
3 *providing agency or agencies shall return to the Gov-*
4 *ernment of the Marshall Islands any unexpended*
5 *funds to be returned to the Fund Manager (as de-*
6 *scribed in Article I of the Section 177 Agreement) to*
7 *be covered into the Fund to be available for future*
8 *use.*

9 *(3) In the joint resolution of January 14, 1986*
10 *(Public Law 99–239) Congress provided that the*
11 *Fund Manager shall retain the funds returned by the*
12 *Government of the Marshall Islands pursuant to*
13 *paragraph (2) of this subsection, shall invest and*
14 *manage such funds, and at the end of 15 years after*
15 *the effective date of the Compact, shall make from the*
16 *total amount so retained and the proceeds thereof an-*
17 *ual disbursements sufficient to continue to make*
18 *payments for the provision of health services as speci-*
19 *fied in paragraph (1) of this subsection to such extent*
20 *as may be provided in contracts between the Govern-*
21 *ment of the Marshall Islands and appropriate United*
22 *States providers of such health services.*

23 *(i) ENJEBI COMMUNITY TRUST FUND.—In the joint*
24 *resolution of January 14, 1986 (Public Law 99–239) Con-*
25 *gress provided that notwithstanding any other provision of*

1 *law, the Secretary of the Treasury shall establish on the*
 2 *books of the Treasury of the United States a fund having*
 3 *the status specified in Article V of the subsidiary agreement*
 4 *for the implementation of Section 177 of the Compact, to*
 5 *be known as the “Enjebi Community Trust Fund” (here-*
 6 *after in this subsection referred to as the “Fund”), and shall*
 7 *credit to the Fund the amount of \$7,500,000. Such amount,*
 8 *which shall be ex gratia, shall be in addition to and not*
 9 *charged against any other funds provided for in the Com-*
 10 *pact and its subsidiary agreements, this joint resolution,*
 11 *or any other Act. Upon receipt by the President of the*
 12 *United States of the agreement described in this subsection,*
 13 *the Secretary of the Treasury, upon request of the Govern-*
 14 *ment of the Marshall Islands, shall transfer the Fund to*
 15 *the Government of the Marshall Islands, provided that the*
 16 *Government of the Marshall Islands agrees as follows:*

17 (1) *ENJEBI TRUST AGREEMENT.—In the joint*
 18 *resolution of January 14, 1986 (Public Law 99–239)*
 19 *Congress provided that the Government of the Mar-*
 20 *shall Islands and the Enewetak Local Government*
 21 *Council, in consultation with the people of Enjebi,*
 22 *shall provide for the creation of the Enjebi Commu-*
 23 *nity Trust Fund and the employment of the manager*
 24 *of the Enewetak Fund established pursuant to the*
 25 *Section 177 Agreement as trustee and manager of the*

1 *Enjebi Community Trust Fund, or, should the man-*
2 *ager of the Enewetak Fund not be acceptable to the*
3 *people of Enjebi, another United States investment*
4 *manager with substantial experience in the adminis-*
5 *tration of trusts and with funds under management*
6 *in excess of \$250,000,000.*

7 (2) *MONITOR CONDITIONS.—In the joint resolu-*
8 *tion of January 14, 1986 (Public Law 99–239) Con-*
9 *gress provided that upon the request of the Govern-*
10 *ment of the Marshall Islands, the United States shall*
11 *monitor the radiation and other conditions on Enjebi*
12 *and within one year of receiving such a request shall*
13 *report to the Government of the Marshall Islands*
14 *when the people of Enjebi may resettle Enjebi under*
15 *circumstances where the radioactive contamination at*
16 *Enjebi, including contamination derived from con-*
17 *sumption of locally grown food products, can be re-*
18 *duced or otherwise controlled to meet whole body Fed-*
19 *eral radiation protection standards for the general*
20 *population, including mean annual dose and mean*
21 *30-year cumulative dose standards.*

22 (3) *RESETTLEMENT OF ENJEBI.—In the joint*
23 *resolution of January 14, 1986 (Public Law 99–239)*
24 *Congress provided that in the event that the United*
25 *States determines that the people of Enjebi can with-*

1 *in 25 years of January 14, 1986, resettle Enjebi*
 2 *under the conditions set forth in paragraph (2) of this*
 3 *subsection, then upon such determination there shall*
 4 *be available to the people of Enjebi from the Fund*
 5 *such amounts as are necessary for the people of*
 6 *Enjebi to do the following, in accordance with a plan*
 7 *developed by the Enewetak Local Government Council*
 8 *and the people of Enjebi, and concurred with by the*
 9 *Government of the Marshall Islands to assure consist-*
 10 *ency with the government's overall economic develop-*
 11 *ment plan:*

12 *(A) Establish a community on Enjebi Is-*
 13 *land for the use of the people of Enjebi.*

14 *(B) Replant Enjebi with appropriate food-*
 15 *bearing and other vegetation.*

16 *(4) RESETTLEMENT OF OTHER LOCATION.—In*
 17 *the joint resolution of January 14, 1986 (Public Law*
 18 *99-239) Congress provided that in the event that the*
 19 *United States determines that within 25 years of*
 20 *January 14, 1986, the people of Enjebi cannot resettle*
 21 *Enjebi without exceeding the radiation standards set*
 22 *forth in paragraph (2) of this subsection, then the*
 23 *fund manager shall be directed by the trust instru-*
 24 *ment to distribute the Fund to the people of Enjebi*
 25 *for their resettlement at some other location in ac-*

1 cordance with a plan, developed by the Enewetak
 2 Local Government Council and the people of Enjebi
 3 and concurred with by the Government of the Mar-
 4 shall Islands, to assure consistency with the govern-
 5 ment's overall economic development plan.

6 (5) *INTEREST FROM FUND.*—In the joint resolu-
 7 tion of January 14, 1986 (Public Law 99–239) Con-
 8 gress provided that prior to and during the distribu-
 9 tion of the corpus of the Fund pursuant to para-
 10 graphs (3) and (4) of this subsection, the people of
 11 Enjebi may, if they so request, receive the interest
 12 earned by the Fund on no less frequent a basis than
 13 quarterly.

14 (6) *DISCLAIMER OF LIABILITY.*—In the joint res-
 15 olution of January 14, 1986 (Public Law 99–239)
 16 Congress provided that neither under the laws of the
 17 Marshall Islands nor under the laws of the United
 18 States, shall the Government of the United States be
 19 liable for any loss or damage to person or property
 20 in respect to the resettlement of Enjebi by the people
 21 of Enjebi, pursuant to the provision of this subsection
 22 or otherwise.

23 (j) *BIKINI ATOLL CLEANUP.*—

24 (1) *DECLARATION OF POLICY.*—In the joint reso-
 25 lution of January 14, 1986 (Public Law 99–239), the

1 Congress determined and declared that it is the policy
 2 of the United States, to be supported by the full faith
 3 and credit of the United States, that because the
 4 United States, through its nuclear testing and other
 5 activities, rendered Bikini Atoll unsafe for habitation
 6 by the people of Bikini, the United States will fulfill
 7 its responsibility for restoring Bikini Atoll to habit-
 8 ability, as set forth in paragraph (2) and (3) of this
 9 subsection.

10 (2) *CLEANUP FUNDS.*—The joint resolution of
 11 January 14, 1986 (Public Law 99–239) authorized to
 12 be appropriated such sums as necessary to implement
 13 the settlement agreement of March 15, 1985, in *The*
 14 *People of Bikini, et al. against United States of*
 15 *America, et al., Civ. No. 84–0425 (D. Ha.).*

16 (3) *CONDITIONS OF FUNDING.*—In the joint reso-
 17 lution of January 14, 1986 (Public Law 99–239) the
 18 Congress provided that the funds referred to in para-
 19 graph (2) were to be made available pursuant to Arti-
 20 cle VI, Section 1 of the Compact Section 177 Agree-
 21 ment upon completion of the events set forth in the
 22 settlement agreement referred to in paragraph (2) of
 23 this subsection.

24 (k) *AGREEMENT ON AUDITS.*—The Comptroller Gen-
 25 eral (and his duly authorized representatives) shall have the

1 *authorities necessary to carry out his responsibilities under*
 2 *section 232 of the U.S.-RMI Compact and the agreement*
 3 *referred to in section 462(b)(4) of the U.S.-RMI Compact,*
 4 *including the following authorities:*

5 (1) *GENERAL AUTHORITY OF THE COMPTROLLER*
 6 *GENERAL TO AUDIT.—*

7 (A) *The Comptroller General of the United*
 8 *States (and his duly authorized representatives)*
 9 *shall have the authority to audit—*

10 (i) *all grants, program assistance, and*
 11 *other assistance provided to the Government*
 12 *of the Republic of the Marshall Islands*
 13 *under Articles I and II of Title Two of the*
 14 *U.S.-RMI Compact; and*

15 (ii) *any other assistance provided by*
 16 *the Government of the United States to the*
 17 *Government of the Republic of the Marshall*
 18 *Islands.*

19 *Such authority shall include authority for the*
 20 *Comptroller General to conduct or cause to be*
 21 *conducted any of the audits provided for in sec-*
 22 *tion 232 of the U.S.-RMI Compact. The author-*
 23 *ity provided in this paragraph shall continue for*
 24 *at least three years after the last such grant has*
 25 *been made or assistance has been provided.*

1 (B) *The Comptroller General (and his duly*
 2 *authorized representatives) shall also have au-*
 3 *thority to review any audit conducted by or on*
 4 *behalf of the Government of the United States. In*
 5 *this connection, the Comptroller General shall*
 6 *have access to such personnel and to such*
 7 *records, documents, working papers, automated*
 8 *data and files, and other information relevant to*
 9 *such review.*

10 (2) COMPTROLLER GENERAL ACCESS TO
 11 RECORDS.—

12 (A) *In carrying out paragraph (1), the*
 13 *Comptroller General (and his duly authorized*
 14 *representatives) shall have such access to the per-*
 15 *sonnel and (without cost) to records, documents,*
 16 *working papers, automated data and files, and*
 17 *other information relevant to such audits. The*
 18 *Comptroller General may duplicate any such*
 19 *records, documents, working papers, automated*
 20 *data and files, or other information relevant to*
 21 *such audits.*

22 (B) *Such records, documents, working pa-*
 23 *pers, automated data and files, and other infor-*
 24 *mation regarding each such grant or other as-*
 25 *sistance shall be maintained for at least five*

1 *years after the date such grant or assistance was*
 2 *provided and in a manner that permits such*
 3 *grants, assistance and payments to be accounted*
 4 *for distinct from any other funds of the Govern-*
 5 *ment of the Republic of the Marshall Islands.*

6 (3) *STATUS OF COMPTROLLER GENERAL REP-*
 7 *RESENTATIVES.—The Comptroller General and his*
 8 *duly authorized representatives shall be immune from*
 9 *civil and criminal process relating to words spoken or*
 10 *written and all acts performed by them in their offi-*
 11 *cial capacity and falling within their functions, ex-*
 12 *cept insofar as such immunity may be expressly*
 13 *waived by the Government of the United States. The*
 14 *Comptroller General and his duly authorized rep-*
 15 *resentatives shall not be liable to arrest or detention*
 16 *pending trial, except in the case of a grave crime and*
 17 *pursuant to a decision by a competent judicial au-*
 18 *thority, and such persons shall enjoy immunity from*
 19 *seizure of personal property, immigration restrictions,*
 20 *and laws relating to alien registration,*
 21 *fingerprinting, and the registration of foreign agents.*
 22 *Such persons shall enjoy the same taxation exemp-*
 23 *tions as are set forth in Article 34 of the Vienna Con-*
 24 *vention on Diplomatic Relations. The privileges, ex-*
 25 *emptions and immunities accorded under this para-*

1 *graph are not for the personal benefit of the individ-*
 2 *uals concerned but are to safeguard the independent*
 3 *exercise of their official functions. Without prejudice*
 4 *to those privileges, exemptions and immunities, it is*
 5 *the duty of all such persons to respect the laws and*
 6 *regulations of the Government of the Republic of the*
 7 *Marshall Islands.*

8 (4) *AUDITS DEFINED.—As used in this sub-*
 9 *section, the term “audits” includes financial, pro-*
 10 *gram, and management audits, including deter-*
 11 *mining—*

12 (A) *whether the Government of the Republic*
 13 *of the Marshall Islands has met the requirements*
 14 *set forth in the U.S.-RMI Compact, or any re-*
 15 *lated agreement entered into under the U.S.-RMI*
 16 *Compact, regarding the purposes for which such*
 17 *grants and other assistance are to be used; and*

18 (B) *the propriety of the financial trans-*
 19 *actions of the Government of the Republic of the*
 20 *Marshall Islands pursuant to such grants or as-*
 21 *sistance.*

22 (5) *COOPERATION BY THE REPUBLIC OF THE*
 23 *MARSHALL ISLANDS.—The Government of the Repub-*
 24 *lic of the Marshall Islands will cooperate fully with*
 25 *the Comptroller General of the United States in the*

1 *conduct of such audits as the Comptroller General de-*
 2 *termines necessary to enable the Comptroller General*
 3 *to fully discharge his responsibilities under this joint*
 4 *resolution.*

5 *(l) KWAJALEIN.—*

6 *(1) STATEMENT OF POLICY.—It is the policy of*
 7 *the United States that payment of funds by the Gov-*
 8 *ernment of the Marshall Islands to the landowners of*
 9 *Kwajalein Atoll in accordance with the land use*
 10 *agreement dated October 19, 1982, or as amended or*
 11 *superseded, and any related allocation agreements, is*
 12 *required in order to ensure that the Government of*
 13 *the United States will be able to fulfill its obligation*
 14 *and responsibilities under Title Three of the Compact*
 15 *and the subsidiary agreements concluded pursuant to*
 16 *the Compact.*

17 *(2) FAILURE TO PAY.—*

18 *(A) IN GENERAL.—If the Government of the*
 19 *Marshall Islands fails to make payments in ac-*
 20 *cordance with paragraph (1), the Government of*
 21 *the United States shall initiate procedures under*
 22 *section 313 of the Compact and consult with the*
 23 *Government of the Marshall Islands with respect*
 24 *to the basis for the nonpayment of funds.*

1 (B) *RESOLUTION.*—*The United States shall*
 2 *expeditiously resolve the matter of any non-*
 3 *payment of funds required under paragraph (1)*
 4 *pursuant to section 313 of the Compact and the*
 5 *authority and responsibility of the Government*
 6 *of the United States for security and defense*
 7 *matters in or relating to the Marshall Islands.*
 8 *This paragraph shall be enforced, as may be nec-*
 9 *essary, in accordance with section 105(f).*

10 (3) *DISPOSITION OF INCREASED PAYMENTS*
 11 *PENDING NEW LAND USE AGREEMENT.*—*Until such*
 12 *time as the Government of the Marshall Islands and*
 13 *the landowners of Kwajalein Atoll have concluded an*
 14 *agreement amending or superseding the land use*
 15 *agreement dated October 19, 1982, any amounts paid*
 16 *by the United States to the Government of the Mar-*
 17 *shall Islands in excess of the amounts required to be*
 18 *paid pursuant to the land use agreement dated Octo-*
 19 *ber 19, 1982, shall be paid into, and held in, an in-*
 20 *terest bearing escrow account in a United States fi-*
 21 *nancial institution by the Government of the Republic*
 22 *of the Marshall Islands. At such time, the funds and*
 23 *interest held in escrow shall be paid to the landowners*
 24 *of Kwajalein in accordance with the new land use*
 25 *agreement. If no such agreement is concluded by the*

1 *date which is five years after the date of enactment*
2 *of this resolution, then such funds shall, unless other-*
3 *wise mutually agreed between the Government of the*
4 *United States of America and the Government of the*
5 *Republic of the Marshall Islands, be returned to the*
6 *U.S. Treasury.*

7 (4) NOTIFICATIONS AND REPORT.—

8 (A) *The Government of the Republic of the*
9 *Marshall Islands shall notify the Government of*
10 *the United States of America when an agreement*
11 *amending or superseding the land use agreement*
12 *dated October 19, 1982, is concluded.*

13 (B) *If no agreement amending or super-*
14 *seding the land use agreement dated October 19,*
15 *1982 is concluded by the date five years after the*
16 *date of enactment of this resolution, then the*
17 *President shall report to Congress on the inten-*
18 *tions of the United States with respect to the use*
19 *of Kwajalein Atoll after 2016, on any plans to*
20 *relocate activities carried out on Kwajalein*
21 *Atoll, and on the disposition of the funds and in-*
22 *terest held in escrow under to paragraph (3).*

23 (5) ASSISTANCE.—*The President is authorized to*
24 *make loans and grants to the Government of the Mar-*
25 *shall Islands to address the special needs of the com-*

1 *munity at Ebeye, Kwajalein Atoll, and other*
 2 *Marshallese communities within the Kwajalein Atoll,*
 3 *pursuant to development plans adopted in accordance*
 4 *with applicable laws of the Marshall Islands. The*
 5 *loans and grants shall be subject to such other terms*
 6 *and conditions as the President, in the discretion of*
 7 *the President, may determine are appropriate.*

8 **SEC. 104. INTERPRETATION OF AND UNITED STATES POL-**
 9 **ICY REGARDING U.S.-FSM COMPACT AND U.S.-**
 10 **RMI COMPACT.**

11 *(a) HUMAN RIGHTS.—In approving the U.S.-FSM*
 12 *Compact and the U.S.-RMI Compact, Congress notes the*
 13 *conclusion in the Statement of Intent of the Report of The*
 14 *Future Political Status Commission of the Congress of Mi-*
 15 *cronesia in July, 1969, that “our recommendation of a free*
 16 *associated state is indissolubly linked to our desire for such*
 17 *a democratic, representative, constitutional government”*
 18 *and notes that such desire and intention are reaffirmed and*
 19 *embodied in the Constitutions of the Federated States of Mi-*
 20 *cronesia and the Republic of the Marshall Islands. Congress*
 21 *also notes and specifically endorses the preamble to the*
 22 *U.S.-FSM Compact and the U.S.-RMI Compact, which af-*
 23 *firms that the governments of the parties to the U.S.-FSM*
 24 *Compact and the U.S.-RMI Compact are founded upon re-*
 25 *spect for human rights and fundamental freedoms for all.*

1 *The Secretary of State shall include in the annual reports*
 2 *on the status of internationally recognized human rights in*
 3 *foreign countries, which are submitted to Congress pursuant*
 4 *to sections 116 and 502B of the Foreign Assistance Act of*
 5 *1961, “22 U.S.C. 2151n, 2304” a full and complete report*
 6 *regarding the status of internationally recognized human*
 7 *rights in the Federated States of Micronesia and the Repub-*
 8 *lic of the Marshall Islands.*

9 (b) *IMMIGRATION AND PASSPORT SECURITY.—*

10 (1) *NATURALIZED CITIZENS.—The rights of a*
 11 *bona fide naturalized citizen of the Federated States*
 12 *of Micronesia or the Republic of the Marshall Islands*
 13 *to enter the United States, to lawfully engage therein*
 14 *in occupations, and to establish residence therein as*
 15 *a nonimmigrant, to the extent such rights are pro-*
 16 *vided under section 141 of the U.S.-FSM Compact*
 17 *and U.S.-RMI Compact, shall not be deemed to ex-*
 18 *tend to any such naturalized citizen with respect to*
 19 *whom circumstances associated with the acquisition*
 20 *of the status of a naturalized citizen are such as to*
 21 *allow a reasonable inference, on the part of appro-*
 22 *priate officials of the United States and subject to*
 23 *United States procedural requirements, that such nat-*
 24 *uralized status was acquired primarily in order to*
 25 *obtain such rights.*

1 (2) *PASSPORTS.—It is the sense of Congress that*
2 *up to \$250,000 of the grant assistance provided to the*
3 *Federated States of Micronesia pursuant to section*
4 *211(a)(4) of the U.S.-FSM Compact, and up to*
5 *\$250,000 of the grant assistance provided to the Re-*
6 *public of the Marshall Islands pursuant to section*
7 *211(a)(4) of the U.S.-RMI Compact (or a greater*
8 *amount of the section 211(a)(4) grant, if mutually*
9 *agreed between the Government of the United States*
10 *and the government of the Federated States of Micro-*
11 *nesia or the government of the Republic of the Mar-*
12 *shall Islands), be used for the purpose of increasing*
13 *the machine-readability and security of passports*
14 *issued by such jurisdictions. It is further the sense of*
15 *Congress that such funds be obligated by September*
16 *30, 2004 and in the amount and manner specified by*
17 *the Secretary of State in consultation with the Sec-*
18 *retary of Homeland Security and, respectively, with*
19 *the government of the Federated States of Micronesia*
20 *and the government of the Republic of the Marshall*
21 *Islands. The United States Government is authorized*
22 *to require that passports used for the purpose of seek-*
23 *ing admission under section 141 of the U.S.-FSM*
24 *Compact and the U.S.-RMI Compact contain the se-*
25 *curity enhancements funded by such assistance.*

1 (3) *INFORMATION-SHARING.—It is the sense of*
 2 *Congress that the governments of the Federated States*
 3 *of Micronesia and the Republic of the Marshall Is-*
 4 *lands develop, prior to October 1, 2004, the capability*
 5 *to provide reliable and timely information as may*
 6 *reasonably be required by the Government of the*
 7 *United States in enforcing criminal and security-re-*
 8 *lated grounds of inadmissibility and deportability*
 9 *under the Immigration and Nationality Act, as*
 10 *amended, and shall provide such information to the*
 11 *Government of the United States.*

12 (4) *TRANSITION; CONSTRUCTION OF SECTIONS*
 13 *141(a)(3) AND 141(a)(4) OF THE U.S.-FSM COMPACT*
 14 *AND U.S.-RMI COMPACT.—The words “the effective*
 15 *date of this Compact, as amended” in sections*
 16 *141(a)(3) and 141(a)(4) of the U.S.-FSM Compact*
 17 *and the U.S.-RMI Compact shall be construed to*
 18 *read, “on the day prior to the enactment by the*
 19 *United States Congress of the Amended Compact*
 20 *Act.”.*

21 (c) *NONALIENATION OF LANDS.—Congress endorses*
 22 *and encourages the maintenance of the policies of the Gov-*
 23 *ernment of the Federated States of Micronesia and the Gov-*
 24 *ernment of the Republic of the Marshall Islands to regulate,*
 25 *in accordance with their Constitutions and laws, the alien-*

1 *ation of permanent interests in real property so as to re-*
 2 *strict the acquisition of such interests to persons of Fed-*
 3 *erated States of Micronesia citizenship and the Republic of*
 4 *the Marshall Islands citizenship, respectively.*

5 (d) *NUCLEAR WASTE DISPOSAL.—In approving the*
 6 *U.S.-FSM Compact and the U.S.-RMI Compact, Congress*
 7 *understands that the Government of the Federated States*
 8 *of Micronesia and the Government of the Republic of the*
 9 *Marshall Islands will not permit any other government or*
 10 *any nongovernmental party to conduct, in the Republic of*
 11 *the Marshall Islands or in the Federated States of Micro-*
 12 *nesia, any of the activities specified in subsection (a) of sec-*
 13 *tion 314 of the U.S.-FSM Compact and the U.S.-RMI Com-*
 14 *pact.*

15 (e) *IMPACT OF COMPACTS ON THE STATE OF HAWAII,*
 16 *GUAM, THE COMMONWEALTH OF THE NORTHERN MARIANA*
 17 *ISLANDS AND AMERICAN SAMOA; RELATED AUTHORIZA-*
 18 *TION AND CONTINUING APPROPRIATION.—*

19 (1) *STATEMENT OF CONGRESSIONAL INTENT.—In*
 20 *reauthorizing the Compacts, it is not the intent of*
 21 *Congress to cause any adverse consequences for an af-*
 22 *ected jurisdiction.*

23 (2) *DEFINITIONS.—For the purposes of this sub-*
 24 *section—*

1 (A) the term “affected jurisdiction” means
 2 American Samoa, Guam, the Commonwealth of
 3 the Northern Mariana Islands, or the State of
 4 Hawaii; and

5 (B) the term “qualified nonimmigrant”
 6 means a person, or their children under the age
 7 of 18, admitted or resident pursuant to section
 8 141 of the U.S.-RMI or U.S.-FSM Compact, or
 9 section 141 of the Palau Compact who, as of a
 10 date referenced in the most recently published
 11 enumeration is a resident of an affected jurisdic-
 12 tion. As used in this subsection, the term “resi-
 13 dent” shall be a person who has a “residence,”
 14 as that term is defined in section 101(a)(33) of
 15 the Immigration and Nationality Act, as amend-
 16 ed.

17 (3) AUTHORIZATION AND CONTINUING APPRO-
 18 PRIATION.—There is hereby authorized and appro-
 19 priated to the Secretary of the Interior, out of any
 20 funds in the Treasury not otherwise appropriated, to
 21 remain available until expended, for each fiscal year
 22 from 2004 through 2023, \$30,000,000 for grants to af-
 23 fected jurisdictions to aid in defraying costs incurred
 24 by affected jurisdictions as a result of increased de-
 25 mands placed on health, educational, social, or public

1 *safety services or infrastructure related to such serv-*
 2 *ices due to the residence in affected jurisdictions of*
 3 *qualified nonimmigrants from the Republic of the*
 4 *Marshall Islands, the Federated States of Micronesia,*
 5 *or the Republic of Palau. The grants shall be—*

6 *(A) awarded and administered by the De-*
 7 *partment of the Interior, Office of Insular Af-*
 8 *fairs, or any successor thereto, in accordance*
 9 *with regulations, policies and procedures appli-*
 10 *cable to grants so awarded and administered,*
 11 *and*

12 *(B) used only for health, educational, social,*
 13 *or public safety services, or infrastructure related*
 14 *to such services, specifically affected by qualified*
 15 *nonimmigrants.*

16 *(4) ENUMERATION.—The Secretary of the Inte-*
 17 *rior shall conduct periodic enumerations of qualified*
 18 *nonimmigrants in each affected jurisdiction. The enu-*
 19 *merations—*

20 *(A) shall be conducted at such intervals as*
 21 *the Secretary of the Interior shall determine, but*
 22 *no less frequently than every five years, begin-*
 23 *ning in fiscal year 2003;*

1 (B) shall be supervised by the United States
 2 Bureau of the Census or such other organization
 3 as the Secretary of the Interior may select; and

4 (C) after fiscal year 2003, shall be funded
 5 by the Secretary of the Interior by deducting
 6 such sums as are necessary, but not to exceed
 7 \$300,000 as adjusted for inflation pursuant to
 8 section 217 of the U.S. FSM Compact with fiscal
 9 year 2003 as the base year, per enumeration,
 10 from funds appropriated pursuant to the author-
 11 ization contained in paragraph (2) of this sub-
 12 section.

13 (5) *ALLOCATION.*—The Secretary of the Interior
 14 shall allocate to the government of each affected juris-
 15 diction, on the basis of the results of the most recent
 16 enumeration, grants in an aggregate amount equal to
 17 the total amount of funds appropriated under para-
 18 graph (3) of this subsection, as reduced by any deduc-
 19 tions authorized by subparagraph (C) of paragraph
 20 (4) of this subsection, multiplied by a ratio derived
 21 by dividing the number of qualified nonimmigrants
 22 in such affected jurisdiction by the total number of
 23 qualified nonimmigrants in all affected jurisdictions.

24 (6) *AUTHORIZATION FOR HEALTH CARE REIM-*
 25 *BURSEMENT.*—There are hereby authorized to be ap-

1 *propriated to the Secretary of the Interior such sums*
 2 *as may be necessary to reimburse health care institu-*
 3 *tions in the affected jurisdictions for costs resulting*
 4 *from the migration of citizens of the Republic of the*
 5 *Marshall Islands, the Federated States of Micronesia*
 6 *and the Republic of Palau to the affected jurisdictions*
 7 *as a result of the implementation of the Compact of*
 8 *Free Association, approved by Public Law 99–239, or*
 9 *the approval of the Compacts of Free Association by*
 10 *this resolution.*

11 (7) *USE OF DOD MEDICAL FACILITIES AND NA-*
 12 *TIONAL HEALTH SERVICE CORPS.—*

13 (A) *DOD MEDICAL FACILITIES.—The Sec-*
 14 *retary of Defense shall make available, on a*
 15 *space available and reimbursable basis, the med-*
 16 *ical facilities of the Department of Defense for*
 17 *use by citizens of the Federated States of Micro-*
 18 *nesia, the Republic of the Marshall Islands, and*
 19 *the Republic of Palau who are properly referred*
 20 *to the facilities by government authorities re-*
 21 *sponsible for provision of medical services in the*
 22 *Federated States of Micronesia, the Republic of*
 23 *the Marshall Islands, the Republic of Palau and*
 24 *the affected jurisdictions.*

1 (B) NATIONAL HEALTH SERVICE CORPS.—

2 The Secretary of Health and Human Services
 3 shall continue to make the services of the Na-
 4 tional Health Service Corps available to the resi-
 5 dents of the Federated States of Micronesia and
 6 the Republic of the Marshall Islands to the same
 7 extent and for so long as such services are au-
 8 thorized to be provided to persons residing in
 9 any other areas within or outside the United
 10 States.

11 (C) AUTHORIZATION OF APPROPRIA-

12 TIONS.—There are authorized to be appropriated
 13 to carry out this paragraph such sums as are
 14 necessary for each fiscal year.

15 (8) REPORTING REQUIREMENT.—The Governor

16 of an affected jurisdiction may report to the Secretary
 17 of the Interior by February 1 of each year with re-
 18 spect to the adverse consequences from implementa-
 19 tion of the Compacts on the Governor's respective ju-
 20 risdiction. If any such reports are received, the Sec-
 21 retary of the Interior shall review and forward them,
 22 by April 1 of that year, to Congress with the views
 23 of the Administration on the issues raised and on any
 24 recommendations made in such reports.

1 (9) *RECONCILIATION OF UNREIMBURSED IMPACT*
2 *EXPENSES.*—

3 (A) *IN GENERAL.*—*Notwithstanding any*
4 *other provision of law, the President, to address*
5 *previously accrued and unreimbursed impact ex-*
6 *penses, may at the request of the Governor of*
7 *Guam or the Governor of the Commonwealth of*
8 *the Northern Mariana Islands, reduce, release, or*
9 *waive all or part of any amounts owed by the*
10 *Government of Guam or the Government of the*
11 *Commonwealth of the Northern Mariana Islands*
12 *(or either government's autonomous agencies or*
13 *instrumentalities), respectively, to any depart-*
14 *ment, agency, independent agency, office, or in-*
15 *strumentality of the United States.*

16 (B) *TERMS AND CONDITIONS.*—

17 (i) *SUBSTANTIATION OF IMPACT*
18 *COSTS.*—*Not later than 120 days after the*
19 *date of the enactment of this resolution, the*
20 *Governor of Guam and the Governor of the*
21 *Commonwealth of the Northern Mariana Is-*
22 *lands shall each submit to the Secretary of*
23 *the Interior a report, prepared in consulta-*
24 *tion with an independent accounting firm,*
25 *substantiating unreimbursed impact ex-*

1 *penses claimed for the period from January*
 2 *14, 1986, through September 30, 2003.*
 3 *Upon request of the Secretary of the Inte-*
 4 *rior, the Governor of Guam and the Gov-*
 5 *ernor of the Commonwealth of the Northern*
 6 *Mariana Islands shall submit to the Sec-*
 7 *retary of the Interior copies of all docu-*
 8 *ments upon which the report submitted by*
 9 *that Governor under this clause was based.*

10 *(ii) CONGRESSIONAL NOTIFICATION.—*
 11 *The President shall notify Congress of his*
 12 *intent to exercise the authority granted in*
 13 *subparagraph (A).*

14 *(iii) CONGRESSIONAL REVIEW AND*
 15 *COMMENT.—Any reduction, release, or*
 16 *waiver under this Act shall not take effect*
 17 *until 60 days after the President notifies*
 18 *Congress of his intent to approve a request*
 19 *of the Governor of Guam or the Governor of*
 20 *the Commonwealth of the Northern Mariana*
 21 *Islands. In exercising his authority under*
 22 *this section and in determining whether to*
 23 *give final approval to a request, the Presi-*
 24 *dent shall take into consideration comments*
 25 *he may receive after Congressional review.*

1 (iv) *EXPIRATION.*—*The authority*
2 *granted in subparagraph (A) shall expire*
3 *on February 28, 2005.*

4 (f) *FOREIGN LOANS.*—*Congress hereby reaffirms the*
5 *United States position that the United States Government*
6 *is not responsible for foreign loans or debt obtained by the*
7 *Governments of the Federated States of Micronesia and the*
8 *Republic of the Marshall Islands.*

9 (g) *SENSE OF CONGRESS CONCERNING FUNDING OF*
10 *PUBLIC INFRASTRUCTURE.*—*It is the sense of Congress that*
11 *not less than 30 percent of the United States annual grant*
12 *assistance provided under section 211 of the Compact of*
13 *Free Association, as amended, between the Government of*
14 *the United States of America and the Government of the*
15 *Federated States of Micronesia, and not less than 30 percent*
16 *of the total amount of section 211 funds allocated to each*
17 *of the States of the Federated States of Micronesia, shall*
18 *be invested in infrastructure improvements and mainte-*
19 *nance in accordance with section 211(a)(6). It is further*
20 *the sense of Congress that not less than 30 percent of the*
21 *United States annual grant assistance provided under sec-*
22 *tion 211 of the Compact of Free Association, as amended,*
23 *between the Government of the United States of America*
24 *and the Government of the Republic of the Marshall Islands,*

1 *shall be invested in infrastructure improvements and main-*
 2 *tenance in accordance with section 211(d).*

3 *(h) REPORTS AND REVIEWS.—*

4 *(1) REPORT BY THE PRESIDENT.—Not later than*
 5 *the end of the first full calendar year following enact-*
 6 *ment of this resolution, and not later than December*
 7 *31 of each year thereafter, the President shall report*
 8 *to Congress regarding the Federated States of Micro-*
 9 *nesia and the Republic of the Marshall Islands, in-*
 10 *cluding but not limited to—*

11 *(A) general social, political, and economic*
 12 *conditions, including estimates of economic*
 13 *growth, per capita income, and migration rates;*

14 *(B) the use and effectiveness of United*
 15 *States financial, program, and technical assist-*
 16 *ance;*

17 *(C) the status of economic policy reforms*
 18 *including but not limited to progress toward es-*
 19 *tablishing self-sufficient tax rates;*

20 *(D) the status of the efforts to increase in-*
 21 *vestment including: the rate of infrastructure in-*
 22 *vestment of U.S. financial assistance under the*
 23 *Compacts; non-U.S. contributions to the trust*
 24 *funds, and the level of private investment; and*

1 (E) recommendations on ways to increase
2 the effectiveness of United States assistance and
3 to meet overall economic performance objectives,
4 including, if appropriate, recommendations to
5 Congress to adjust the inflation rate or to adjust
6 the contributions to the Trust Funds based on
7 non-U.S. contributions.

8 (2) REVIEW.—During the year of the fifth, tenth,
9 and fifteenth anniversaries of the date of enactment of
10 this resolution, the Government of the United States
11 of America and the Government of the Federated
12 States of Micronesia; and the Government of the
13 United States of America and the Government of the
14 Republic of the Marshall Islands, shall formally re-
15 view the overall political, economic, and security as-
16 pects of their relationship, the topics set forth in
17 paragraphs (1)(A) through (1)(E) above, and progress
18 in meeting the development objectives set forth in
19 their respective development plans. The governments
20 may agree to commit themselves to take specific ac-
21 tions in response to the findings resulting from the re-
22 views, such as changes to the inflation adjustment, or
23 adjustments to the U.S. contribution to the trust
24 funds based on substantial non-U.S. contributions to
25 the Trust Funds. The President shall include the find-

1 *ings resulting from these reviews, and any rec-*
 2 *ommendations for actions to respond to such findings,*
 3 *in the annual reports to Congress made under this*
 4 *section, in the years following the reviews.*

5 (3) *BY THE COMPTROLLER GENERAL.*—*Not later*
 6 *than the date that is three years after the date of en-*
 7 *actment of this joint resolution, and every 5 years*
 8 *thereafter, the Comptroller General of the United*
 9 *States shall submit to Congress a report on the Fed-*
 10 *erated States of Micronesia and the Republic of the*
 11 *Marshall Islands including the topics set forth in*
 12 *paragraphs (1) (A) through (E) above, and on the ef-*
 13 *fectiveness of administrative oversight by the United*
 14 *States.*

15 (i) *CONSTRUCTION OF SECTION 141(f).*—*Section*
 16 *141(f)(2) of the Compact of Free Association, as amended,*
 17 *between the Government of the United States of America*
 18 *and the Government of the Federated States of Micronesia*
 19 *and of the Compact of Free Association, as amended, be-*
 20 *tween the Government of the United States of America and*
 21 *the Government of the Republic of the Marshall Islands,*
 22 *shall be construed as though, after “may by regulations pre-*
 23 *scribe”, there were included the following: “, except that any*
 24 *such regulations that would have a significant effect on the*
 25 *admission, stay and employment privileges provided under*

1 *this section shall not become effective until 90 days after*
 2 *the date of transmission of the regulations to the Committee*
 3 *on Energy and Natural Resources and the Committee on*
 4 *the Judiciary of the Senate and the Committee on Re-*
 5 *sources, the Committee on International Relations, and the*
 6 *Committee on the Judiciary of the House of Representa-*
 7 *tives”.*

8 (j) *CONSTRUCTION OF SECTION 216 OF THE U.S.-FSM*
 9 *COMPACT.—The table under section 216 of the Compact be-*
 10 *tween the Government of the United States of America and*
 11 *the Government of the Federated States of Micronesia shall*
 12 *be construed as though \$16,810,000 is added to the amount*
 13 *for each year in column two, “Annual Grants Section 211”,*
 14 *and to the amount for each year in column five, “Total”.*

15 (k) *CONSTRUCTION OF SECTION 217 OF THE U.S.-RMI*
 16 *COMPACT.—The table under section 217 of the Compact be-*
 17 *tween the Government of the United States of America and*
 18 *the Government of the Republic of the Marshall Islands*
 19 *shall be construed as though: \$6,350,000 is added to the*
 20 *amount for each year in column two, “Annual Grants Sec-*
 21 *tion 211”; and to the amount for each year in column six,*
 22 *“Total”.*

23 (l) *INFLATION ADJUSTMENT.—As of Fiscal Year 2015,*
 24 *if the United States Gross Domestic Product Implicit Price*
 25 *Deflator average for Fiscal Years 2009 through 2014 is*

1 *greater than United States Gross Domestic Product Im-*
 2 *plicit Price Deflator average for Fiscal Years 2004 through*
 3 *2008 (as reported in the Survey of Current Business or sub-*
 4 *sequent publication and compiled by the Department of In-*
 5 *terior), then section 217 of the U.S.-FSM Compact and*
 6 *paragraph 5 of Article II of the U.S.-FSM Fiscal Proce-*
 7 *dures Agreement and section 218 of the U.S.-RMI Compact*
 8 *and paragraph 5 of Article II of the U.S.-RMI Fiscal Proce-*
 9 *dures Agreement shall be construed as if “the full” appeared*
 10 *in place of “two-thirds of the” each place those words ap-*
 11 *pear.*

12 *(m) PROMOTION OF TELECOMMUNICATIONS.—*

13 *(1) REQUIREMENT FOR COOPERATION.—In ac-*
 14 *cordance with the FSM Federal Programs and Serv-*
 15 *ices Agreements and the RMI Federal Programs and*
 16 *Services Agreement, the Government of the United*
 17 *States, the Government of the Federated States of Mi-*
 18 *cronesia, and the Government of the Republic of the*
 19 *Marshall Islands shall cooperate with each other in*
 20 *the development of telecommunications infrastructure*
 21 *that is mutually beneficial and improves the tele-*
 22 *communications connectivity and interoperability*
 23 *among the United States, Micronesia, and the Mar-*
 24 *shall Islands.*

1 (2) *EXECUTIVE AGENT.*—*For the purpose of car-*
 2 *rying out this Agreement and the Federal Programs*
 3 *and Services Agreements, the United States Depart-*
 4 *ment of the Army shall serve as the Executive Agent*
 5 *for the Department of Defense in promoting and co-*
 6 *ordinating such telecommunication initiatives with*
 7 *the Governments of the Republic of the Marshall Is-*
 8 *lands and the Federated States of Micronesia.*

9 (3) *DEFINITIONS.*—*In this subsection:*

10 (A) *FEDERAL PROGRAMS AND SERVICES*
 11 *AGREEMENTS.*—*The term “Federal Programs*
 12 *and Services Agreements” means—*

13 (i) *the FSM Federal Programs and*
 14 *Services Agreement; and*

15 (ii) *the RMI Federal Programs and*
 16 *Services Agreement.*

17 (B) *FSM FEDERAL PROGRAMS AND SERV-*
 18 *ICES AGREEMENT.*—*The term “FSM Federal*
 19 *Programs and Services Agreement” means the*
 20 *Federal Programs and Services Agreement Be-*
 21 *tween the Government of the United States of*
 22 *America and the Government of the Federated*
 23 *States of Micronesia Concluded Pursuant to Ar-*
 24 *ticle III of Title One, Article II of Title Two (in-*

1 cluding Section 222), and Section 231 of the
2 U.S.-FSM Compact.

3 (C) *RMI FEDERAL PROGRAMS AND SERV-*
4 *ICES AGREEMENT.*—The term “RMI Federal
5 *Programs and Services Agreement*” means the
6 *Federal Programs and Services Agreement Be-*
7 *tween the Government of the United States of*
8 *America and the Government of the Republic of*
9 *the Marshall Islands Concluded Pursuant to Ar-*
10 *ticle III of Title One, Article II of Title Two (in-*
11 *cluding Section 222), and Section 231 of the*
12 *U.S.-RMI Compact.*

13 (n) *PARTICIPATION BY SECONDARY SCHOOLS IN THE*
14 *ARMED SERVICES VOCATIONAL APTITUDE BATTERY*
15 *(ASVAB) STUDENT TESTING PROGRAM.*—In furtherance of
16 the provisions of Title Three, Article IV, Section 341 of the
17 U.S.-FSM and the U.S.-RMI Compacts, the purpose of
18 which is to establish the privilege to volunteer for service
19 in the U.S. Armed Forces, it is the sense of Congress that,
20 to facilitate eligibility of FSM and RMI secondary school
21 students to qualify for such service, the Department of De-
22 fense may extend the Armed Services Vocational Aptitude
23 Battery (ASVAB) Student Testing Program (STP) and the
24 ASVAB Career Exploration Program to selected secondary
25 Schools in the FSM and the RMI to the extent such pro-

1 *grams are available to Department of Defense Dependent*
 2 *Schools located in foreign jurisdictions.*

3 **SEC. 105. SUPPLEMENTAL PROVISIONS.**

4 *(a) DOMESTIC PROGRAM REQUIREMENTS.—Except as*
 5 *may otherwise be provided in this joint resolution, all*
 6 *United States Federal programs and services extended to*
 7 *or operated in the Federated States of Micronesia or the*
 8 *Republic of the Marshall Islands are and shall remain sub-*
 9 *ject to all applicable criteria, standards, reporting require-*
 10 *ments, auditing procedures, and other rules and regulations*
 11 *applicable to such programs when operating in the United*
 12 *States (including its territories and commonwealths).*

13 *(b) RELATIONS WITH THE FEDERATED STATES OF*
 14 *MICRONESIA AND THE REPUBLIC OF THE MARSHALL IS-*
 15 *LANDS.—*

16 *(1) Appropriations made pursuant to Article I*
 17 *of Title Two and subsection (a)(2) of section 221 of*
 18 *article II of Title Two of the U.S.-FSM Compact and*
 19 *the U.S.-RMI Compact shall be made to the Secretary*
 20 *of the Interior, who shall have the authority necessary*
 21 *to fulfill his responsibilities for monitoring and man-*
 22 *aging the funds so appropriated consistent with the*
 23 *U.S.-FSM Compact and the U.S.-RMI Compact, in-*
 24 *cluding the agreements referred to in section 462(b)(4)*
 25 *of the U.S.-FSM Compact and U.S.-RMI Compact*

1 *(relating to Fiscal Procedures) and the agreements re-*
 2 *ferred to in section 462(b)(5) of the U.S.-FSM Com-*
 3 *compact and the U.S.-RMI Compact (regarding the Trust*
 4 *Fund).*

5 *(2) Appropriations made pursuant to subsections*
 6 *(a)(1) and (a)(3) through (6) of section 221 of Article*
 7 *II of Title Two of the U.S.-FSM Compact and sub-*
 8 *section (a)(1) and (a)(3) through (5) of the U.S.-RMI*
 9 *Compact shall be made directly to the agencies named*
 10 *in those subsections.*

11 *(3) Appropriations for services and programs re-*
 12 *ferred to in subsection (b) of section 221 of Article II*
 13 *of Title Two of the U.S.-FSM Compact or U.S.-RMI*
 14 *Compact and appropriations for services and pro-*
 15 *grams referred to in sections 105(f) and 108(a) of this*
 16 *joint resolution shall be made to the relevant agencies*
 17 *in accordance with the terms of the appropriations*
 18 *for such services and programs.*

19 *(4) Federal agencies providing programs and*
 20 *services to the Federated States of Micronesia and the*
 21 *Republic of the Marshall Islands shall coordinate with*
 22 *the Secretaries of the Interior and State regarding*
 23 *provision of such programs and services. The Secre-*
 24 *taries of the Interior and State shall consult with ap-*
 25 *propriate officials of the Asian Development Bank*

1 *and with the Secretary of the Treasury regarding*
 2 *overall economic conditions in the Federated States of*
 3 *Micronesia and the Republic of the Marshall Islands*
 4 *and regarding the activities of other donors of assist-*
 5 *ance to the Federated States of Micronesia and the*
 6 *Republic of the Marshall Islands.*

7 *(5) United States Government employees in ei-*
 8 *ther the Federated States of Micronesia or the Repub-*
 9 *lic of the Marshall Islands are subject to the authority*
 10 *of the United States Chief of Mission, including as*
 11 *elaborated in section 207 of the Foreign Service Act*
 12 *and the President's Letter of Instruction to the United*
 13 *States Chief of Mission and any order or directive of*
 14 *the President in effect from time to time.*

15 *(6) INTERAGENCY GROUP ON FREELY ASSOCI-*
 16 *ATED STATES' AFFAIRS.—*

17 *(A) IN GENERAL.—The President is hereby*
 18 *authorized to appoint an Interagency Group on*
 19 *Freely Associated States' Affairs to provide pol-*
 20 *icy guidance and recommendations on imple-*
 21 *mentation of the U.S.-FSM Compact and the*
 22 *U.S.-RMI Compact to Federal departments and*
 23 *agencies.*

24 *(B) SECRETARIES.—It is the sense of Con-*
 25 *gress that the Secretary of State and the Sec-*

1 *retary of the Interior shall be represented on the*
 2 *Interagency Group.*

3 (7) *UNITED STATES APPOINTEES TO JOINT COM-*
 4 *MITTEES.—*

5 (A) *JOINT ECONOMIC MANAGEMENT COM-*
 6 *MITTEE.—*

7 (i) *IN GENERAL.—The three United*
 8 *States appointees (United States chair plus*
 9 *two members) to the Joint Economic Man-*
 10 *agement Committee provided for in section*
 11 *213 of the U.S.-FSM Compact and Article*
 12 *III of the U.S.-FSM Fiscal Procedures*
 13 *Agreement referred to in section 462(b)(4) of*
 14 *the U.S.-FSM Compact shall be United*
 15 *States Government officers or employees.*

16 (ii) *DEPARTMENTS.—It is the sense of*
 17 *Congress that the appointees should be des-*
 18 *ignated from the Department of State and*
 19 *the Department of the Interior, and that*
 20 *U.S. officials of the Asian Development*
 21 *Bank shall be consulted in order to properly*
 22 *coordinate U.S. and Asian Development*
 23 *Bank financial, program, and technical as-*
 24 *sistance.*

1 (iii) *ADDITIONAL SCOPE.*—Section 213
 2 of the U.S.-FSM Compact shall be construed
 3 to read as though the phrase, “the imple-
 4 mentation of economic policy reforms to en-
 5 courage investment and to achieve self-suffi-
 6 cient tax rates,” were inserted after “with
 7 particular focus on those parts of the plan
 8 dealing with the sectors identified in sub-
 9 section (a) of section 211”.

10 (B) *JOINT ECONOMIC MANAGEMENT AND FI-*
 11 *NANCIAL ACCOUNTABILITY COMMITTEE.*—

12 (i) *IN GENERAL.*—The three United
 13 States appointees (United States chair plus
 14 two members) to the Joint Economic Man-
 15 agement and Financial Accountability
 16 Committee provided for in section 214 of
 17 the U.S.-RMI Compact and Article III of
 18 the U.S.-RMI Fiscal Procedures Agreement
 19 referred to in section 462(b)(4) of the U.S.-
 20 RMI Compact shall be United States Gov-
 21 ernment officers or employees.

22 (ii) *DEPARTMENTS.*—It is the sense of
 23 Congress that the appointees should be des-
 24 ignated from the Department of State and
 25 the Department of the Interior, and that

1 *U.S. officials of the Asian Development*
 2 *Bank shall be consulted in order to properly*
 3 *coordinate U.S. and Asian Development*
 4 *Bank financial, program, and technical as-*
 5 *sistance.*

6 *(iii) ADDITIONAL SCOPE.—Section 214*
 7 *of the U.S.-RMI Compact shall be construed*
 8 *to read as though the phrase, “the imple-*
 9 *mentation of economic policy reforms to en-*
 10 *courage investment and to achieve self-suffi-*
 11 *cient tax rates,” were inserted after “with*
 12 *particular focus on those parts of the frame-*
 13 *work dealing with the sectors and areas*
 14 *identified in subsection (a) of section 211”.*

15 *(8) OVERSIGHT AND COORDINATION.—It is the*
 16 *sense of Congress that the Secretary of State and the*
 17 *Secretary of the Interior shall ensure that there are*
 18 *personnel resources committed in the appropriate*
 19 *numbers and locations to ensure effective oversight of*
 20 *United States assistance, and effective coordination of*
 21 *assistance among United States agencies and with*
 22 *other international donors such as the Asian Develop-*
 23 *ment Bank.*

24 *(9) The United States voting members (United*
 25 *States chair plus two or more members) of the Trust*

1 *Fund Committee appointed by the Government of the*
2 *United States pursuant to Article 7 of the Trust*
3 *Fund Agreement implementing section 215 of the*
4 *U.S.-FSM Compact and referred to in section*
5 *462(b)(5) of the U.S.-FSM Compact and any alter-*
6 *nates designated by the Government of the United*
7 *States shall be United States Government officers or*
8 *employees. The United States voting members (United*
9 *States chair plus two or more members) of the Trust*
10 *Fund Committee appointed by the Government of the*
11 *United States pursuant to Article 7 of the Trust*
12 *Fund Agreement implementing section 216 of the*
13 *U.S.-RMI Compact and referred to in section*
14 *462(b)(5) of the U.S.-RMI Compact and any alter-*
15 *nates designated by the Government of the United*
16 *States shall be United States Government officers or*
17 *employees. It is the sense of Congress that the ap-*
18 *pointees should be designated from the Department of*
19 *State, the Department of the Interior, and the De-*
20 *partment of the Treasury.*

21 *(10) The Trust Fund Committee provided for in*
22 *Article 7 of the U.S.-FSM Trust Fund Agreement im-*
23 *plementing section 215 of the U.S.-FSM Compact*
24 *shall be a nonprofit corporation incorporated under*
25 *the laws of the District of Columbia. To the extent*

1 *that any law, rule, regulation or ordinance of the*
2 *District of Columbia, or of any State or political sub-*
3 *division thereof in which the Trust Fund Committee*
4 *is incorporated or doing business, impedes or other-*
5 *wise interferes with the performance of the functions*
6 *of the Trust Fund Committee pursuant to this joint*
7 *resolution, such law, rule, regulation, or ordinance*
8 *shall be deemed to be preempted by this joint resolu-*
9 *tion. The Trust Fund Committee provided for in Ar-*
10 *ticle 7 of the U.S.-RMI Trust Fund Agreement imple-*
11 *menting section 216 of the U.S.-RMI Compact shall*
12 *be a non-profit corporation incorporated under the*
13 *laws of the District of Columbia. To the extent that*
14 *any law, rule, regulation or ordinance of the District*
15 *of Columbia, or of any State or political subdivision*
16 *thereof in which the Trust Fund Committee is incor-*
17 *porated or doing business, impedes or otherwise inter-*
18 *feres with the performance of the functions of the*
19 *Trust Fund Committee pursuant to this joint resolu-*
20 *tion, such law, rule, regulation, or ordinance shall be*
21 *deemed to be preempted by this joint resolution.*

22 (c) CONTINUING TRUST TERRITORY AUTHORIZA-
23 TION.—*The authorization provided by the Act of June 30,*
24 *1954, as amended (68 Stat. 330) shall remain available*
25 *after the effective date of the Compact with respect to the*

1 *Federated States of Micronesia and the Republic of the Mar-*
 2 *shall Islands for the following purposes:*

3 (1) *Prior to October 1, 1986, for any purpose*
 4 *authorized by the Compact or the joint resolution of*
 5 *January 14, 1986 (Public Law 99–239).*

6 (2) *Transition purposes, including but not lim-*
 7 *ited to, completion of projects and fulfillment of com-*
 8 *mitments or obligations; termination of the Trust*
 9 *Territory Government and termination of the High*
 10 *Court; health and education as a result of exceptional*
 11 *circumstances; ex gratia contributions for the popu-*
 12 *lations of Bikini, Enewetak, Rongelap, and Utrik;*
 13 *and technical assistance and training in financial*
 14 *management, program administration, and mainte-*
 15 *nance of infrastructure.*

16 (d) *SURVIVABILITY.—In furtherance of the provisions*
 17 *of Title Four, Article V, sections 452 and 453 of the U.S.-*
 18 *FSM Compact and the U.S.-RMI Compact, any provisions*
 19 *of the U.S.-FSM Compact or the U.S.-RMI Compact which*
 20 *remain effective after the termination of the U.S.-FSM*
 21 *Compact or U.S.-RMI Compact by the act of any party*
 22 *thereto and which are affected in any manner by provisions*
 23 *of this title shall remain subject to such provisions.*

24 (e) *NONCOMPLIANCE SANCTIONS; ACTIONS INCOMPAT-*
 25 *IBLE WITH UNITED STATES AUTHORITY.—Congress ex-*

1 *presses its understanding that the Governments of the Fed-*
 2 *erated States of Micronesia and the Republic of the Mar-*
 3 *shall Islands will not act in a manner incompatible with*
 4 *the authority and responsibility of the United States for*
 5 *security and defense matters in or related to the Federated*
 6 *States of Micronesia or the Republic of the Marshall Islands*
 7 *pursuant to the U.S.-FSM Compact or the U.S.-RMI Com-*
 8 *pact, including the agreements referred to in sections*
 9 *462(a)(2) of the U.S.-FSM Compact and 462(a)(5) of the*
 10 *U.S.-RMI Compact. Congress further expresses its intention*
 11 *that any such act on the part of either such Government*
 12 *will be viewed by the United States as a material breach*
 13 *of the U.S.-FSM Compact or U.S.-RMI Compact. The Gov-*
 14 *ernment of the United States reserves the right in the event*
 15 *of such a material breach of the U.S.-FSM Compact by the*
 16 *Government of the Federated States of Micronesia or the*
 17 *U.S.-RMI Compact by the Government of the Republic of*
 18 *the Marshall Islands to take action, including (but not lim-*
 19 *ited to) the suspension in whole or in part of the obligations*
 20 *of the Government of the United States to that Government.*

21 (f) *CONTINUING PROGRAMS AND LAWS.—*

22 (1) *FEDERATED STATES OF MICRONESIA AND RE-*
 23 *PUBLIC OF THE MARSHALL ISLANDS.—In addition to*
 24 *the programs and services set forth in section 221 of*
 25 *the Compact, and pursuant to section 222 of the Com-*

1 *pact, the programs and services of the following agen-*
 2 *cies shall be made available to the Federated States*
 3 *of Micronesia and to the Republic of the Marshall Is-*
 4 *lands:*

5 *(A) CONTINUATION OF THE PROGRAMS AND*
 6 *SERVICES OF THE FEDERAL EMERGENCY MAN-*
 7 *AGEMENT AGENCY.—Except as provided in*
 8 *clause (ii) below, the programs and services of*
 9 *the Department of Homeland Security, Federal*
 10 *Emergency Management Agency shall continue*
 11 *to be available to the Federated States of Micro-*
 12 *nesia and the Republic of the Marshall Islands*
 13 *to the same extent as such programs and services*
 14 *were available in fiscal year 2003.*

15 *(i) Paragraph (a)(6) of section 221 of*
 16 *the U.S.-FSM Compact and paragraph*
 17 *(a)(5) of the U.S.-RMI Compact shall each*
 18 *be construed as though the paragraph reads*
 19 *as follows: “the Department of Homeland*
 20 *Security, United States Federal Emergency*
 21 *Management Agency.”*

22 *(ii) Subsection (d) of section 211 of the*
 23 *U.S.-FSM Compact and subsection (e) of*
 24 *section 211 of the U.S.-RMI Compact shall*
 25 *each be construed as though the subsection*

1 reads as follows: “Of the total amount of as-
 2 sistance made available under subsection
 3 (a) of this section, \$200,000 shall be made
 4 available to the Department of Homeland
 5 Security, Federal Emergency Management
 6 Agency to facilitate the activities of the Fed-
 7 eral Emergency Management Agency in ac-
 8 cordance with and to the extent provided in
 9 the Federal Programs and Services Agree-
 10 ment.”

11 (B) TREATMENT OF EDUCATION AND LABOR
 12 PROGRAMS.—

13 (i) IDEA AND PELL GRANTS.—The Gov-
 14 ernment of the United States shall continue
 15 to make available to the Federated States of
 16 Micronesia and the Republic of the Marshall
 17 Islands for fiscal years 2004 through 2023,
 18 the services to individuals eligible for such
 19 services under the Individuals with Disabil-
 20 ities Education Act (20 U.S.C. 1400 et seq.)
 21 to the extent that such services continue to
 22 be available to individuals in the United
 23 States; and shall continue to make available
 24 to eligible institutions in the Federated
 25 States of Micronesia and the Republic of the

1 *Marshall Islands, and to students enrolled*
 2 *in such institutions, and in institutions in*
 3 *the United States and its territories, for fis-*
 4 *cal years 2004 through 2023, grants under*
 5 *subpart 1 of part A of title IV of the Higher*
 6 *Education Act of 1965 (20 U.S.C. 1070a et*
 7 *seq.) to the extent that such grants continue*
 8 *to be available to institutions and students*
 9 *in the United States, and in accordance*
 10 *with and to the extent provided in the Fed-*
 11 *eral Programs and Services Agreement.*

12 *(ii) OTHER FORMULA-GRANT PRO-*
 13 *GRAMS.—For fiscal years 2006 through*
 14 *2023, except as provided in clause (i), the*
 15 *Governments of the Federated States of Mi-*
 16 *cronesia and the Republic of the Marshall*
 17 *Islands shall not receive grants under the*
 18 *Head Start Act (42 U.S.C. 9801 et seq.) or*
 19 *any formula grant program administered*
 20 *by the Secretary of Education. In place of*
 21 *such grants, the Government of the Fed-*
 22 *erated States of Micronesia shall receive, as*
 23 *a supplement to the education sector grant*
 24 *under section 211(a)(1), \$16,810,000 annu-*
 25 *ally; and the Government of the Republic of*

1 *the Marshall Islands shall receive, as a sup-*
2 *plement to the education sector grant under*
3 *section 211(a)(1), \$6,350,000 annually.*
4 *Both of these supplemental amounts are to*
5 *be adjusted for inflation pursuant to section*
6 *217 of the U.S.-FSM Compact and section*
7 *218 of the U.S.-RMI Compact.*

8 (iii) *TRANSITION.—For fiscal years*
9 *2004 and 2005 the Governments of the Fed-*
10 *erated States of Micronesia and the Repub-*
11 *lic of the Marshall Islands shall continue to*
12 *receive grants under any formula grant*
13 *programs administered by the Secretary of*
14 *Education or under the Head Start Act (42*
15 *U.S.C. 9801 et seq.) in the same amounts as*
16 *in fiscal year 2003, except that such grants*
17 *shall be modified to provide for a smooth*
18 *transition from the formula grant programs*
19 *being terminated to local programs designed*
20 *to meet local education needs and with per-*
21 *formance standards and technical assistance*
22 *as necessary to meet those needs, and in ac-*
23 *cordance with the Federal Programs and*
24 *Services Agreement.*

1 (iv) *TECHNICAL ASSISTANCE.—The*
 2 *Federated States of Micronesia and the Re-*
 3 *public of the Marshall Islands may request*
 4 *technical assistance from the Secretary of*
 5 *Education or the Secretary of Health and*
 6 *Human Services, the terms of which, in-*
 7 *cluding reimbursement, shall be negotiated*
 8 *with the participation of the appropriate*
 9 *cabinet officer for inclusion in the Federal*
 10 *Programs and Services Agreement.*

11 (v) *CONTINUED ELIGIBILITY FOR COM-*
 12 *PETITIVE GRANTS.—The Governments of the*
 13 *Federated States of Micronesia and the Re-*
 14 *public of the Marshall Islands shall con-*
 15 *tinue to be eligible for competitive grants*
 16 *administered by the Secretary of Education*
 17 *to the extent that such grants continue to be*
 18 *available to State and local governments in*
 19 *the United States.*

20 (C) *The Legal Services Corporation.*

21 (D) *The Public Health Service.*

22 (E) *The Rural Housing Service (formerly,*
 23 *the Farmers Home Administration) in the Mar-*
 24 *shall Islands and each of the four States of the*
 25 *Federated States of Micronesia: Provided, That*

1 *in lieu of continuation of the program in the*
2 *Federated States of Micronesia, the President*
3 *may agree to transfer to the Government of the*
4 *Federated States of Micronesia without cost, the*
5 *portfolio of the Rural Housing Service applicable*
6 *to the Federated States of Micronesia and pro-*
7 *vide such technical assistance in management of*
8 *the portfolio as may be requested by the Fed-*
9 *erated States of Micronesia).*

10 (2) *TORT CLAIMS.—The provisions of section 178*
11 *of the U.S.-FSM Compact and the U.S.-RMI Compact*
12 *regarding settlement and payment of tort claims shall*
13 *apply to employees of any Federal agency of the Gov-*
14 *ernment of the United States (and to any other per-*
15 *son employed on behalf of any Federal agency of the*
16 *Government of the United States on the basis of a*
17 *contractual, cooperative, or similar agreement) which*
18 *provides any service or carries out any other function*
19 *pursuant to or in furtherance of any provisions of the*
20 *U.S.-FSM Compact or the U.S.-RMI Compact or this*
21 *joint resolution, except for provisions of Title Three of*
22 *the Compact and of the subsidiary agreements related*
23 *to such Title, in such area to which such Agreement*
24 *formerly applied.*

1 (3) *PCB CLEANUP.*—*The programs and services*
 2 *of the Environmental Protection Agency regarding*
 3 *PCBs shall, to the extent applicable, as appropriate,*
 4 *and in accordance with applicable law, be construed*
 5 *to be made available to such islands for the cleanup*
 6 *of PCBs imported prior to 1987. The Secretary of the*
 7 *Interior and the Secretary of Defense shall cooperate*
 8 *and assist in any such cleanup activities.*

9 (g) *COLLEGE OF MICRONESIA.*—*Until otherwise pro-*
 10 *vided by Act of Congress, or until termination of the U.S.-*
 11 *FSM Compact and the U.S.-RMI Compact, the College of*
 12 *Micronesia shall retain its status as a land-grant institu-*
 13 *tion and its eligibility for all benefits and programs avail-*
 14 *able to such land-grant institutions.*

15 (h) *TRUST TERRITORY DEBTS TO U.S. FEDERAL*
 16 *AGENCIES.*—*Neither the Government of the Federated*
 17 *States of Micronesia nor the Government of the Marshall*
 18 *Islands shall be required to pay to any department, agency,*
 19 *independent agency, office, or instrumentality of the United*
 20 *States any amounts owed to such department, agency, inde-*
 21 *pendent agency, office, or instrumentality by the Govern-*
 22 *ment of the Trust Territory of the Pacific Islands as of the*
 23 *effective date of the Compact. There is authorized to be ap-*
 24 *propriated such sums as may be necessary to carry out the*
 25 *purposes of this subsection.*

1 (i) *JUDICIAL TRAINING.*—

2 (1) *IN GENERAL.*—*In addition to amounts pro-*
3 *vided under section 211(a)(4) of the U.S.-FSM Com-*
4 *pact and the U.S.-RMI Compact, the Secretary of the*
5 *Interior shall annually provide \$300,000 for the*
6 *training of judges and officials of the judiciary in the*
7 *Federated States of Micronesia and the Republic of*
8 *the Marshall Islands in cooperation with the Pacific*
9 *Islands Committee of the Ninth Circuit Judicial*
10 *Council and in accordance with and to the extent*
11 *provided in the Federal Programs and Services Agree-*
12 *ment.*

13 (2) *AUTHORIZATION AND CONTINUING APPRO-*
14 *PRIATION.*—*There is hereby authorized and appro-*
15 *priated to the Secretary of the Interior, out of any*
16 *funds in the Treasury not otherwise appropriated, to*
17 *remain available until expended, for each fiscal year*
18 *from 2004 through 2023, \$300,000, as adjusted for in-*
19 *flation under section 218 of the U.S.-FSM Compact*
20 *and the U.S.-RMI Compact, to carry out the purposes*
21 *of this section.*

22 (j) *TECHNICAL ASSISTANCE.*—*Technical assistance*
23 *may be provided pursuant to section 224 of the U.S.-FSM*
24 *Compact or the U.S.-RMI Compact by Federal agencies and*
25 *institutions of the Government of the United States to the*

1 *extent such assistance may be provided to States, territories,*
 2 *or units of local government. Such assistance by the Forest*
 3 *Service, the Natural Resources Conservation Service (acting*
 4 *through the Resource Conservation and Development Pro-*
 5 *gram), the Fish and Wildlife Service, the National Marine*
 6 *Fisheries Service, the United States Coast Guard, and the*
 7 *Advisory Council on Historic Preservation, the Department*
 8 *of the Interior, and other agencies providing assistance*
 9 *under the National Historic Preservation Act (80 Stat. 915;*
 10 *16 U.S.C. 470–470t), shall be on a nonreimbursable basis.*
 11 *During the period the U.S.-FSM Compact and the U.S.-*
 12 *RMI Compact are in effect, the grant programs under the*
 13 *National Historic Preservation Act shall continue to apply*
 14 *to the Federated States of Micronesia and the Republic of*
 15 *the Marshall Islands in the same manner and to the same*
 16 *extent as prior to the approval of the Compact. Any funds*
 17 *provided pursuant to sections 102(a), 103(a), 103(b),*
 18 *103(f), 103(g), 103(h), 103(j), 105(c), 105(g), 105(h),*
 19 *105(i), 105(j), 105(k), 105(l), and 105(m) of this joint reso-*
 20 *lution shall be in addition to and not charged against any*
 21 *amounts to be paid to either the Federated States of Micro-*
 22 *nesia or the Republic of the Marshall Islands pursuant to*
 23 *the U.S.-FSM Compact, the U.S.-RMI Compact, or their*
 24 *related subsidiary agreements.*

1 (k) *PRIOR SERVICE BENEFITS PROGRAM.*—Notwith-
 2 standing any other provision of law, persons who on Janu-
 3 ary 1, 1985, were eligible to receive payment under the
 4 Prior Service Benefits Program established within the So-
 5 cial Security System of the Trust Territory of the Pacific
 6 Islands because of their services performed for the United
 7 States Navy or the Government of the Trust Territory of
 8 the Pacific Islands prior to July 1, 1968, shall continue
 9 to receive such payments on and after the effective date of
 10 the Compact.

11 (l) *INDEFINITE LAND USE PAYMENTS.*—There are au-
 12 thorized to be appropriated such sums as may be necessary
 13 to complete repayment by the United States of any debts
 14 owed for the use of various lands in the Federated States
 15 of Micronesia and the Marshall Islands prior to January
 16 1, 1985.

17 (m) *COMMUNICABLE DISEASE CONTROL PROGRAM.*—
 18 There are authorized to be appropriated for grants to the
 19 Government of the Federated States of Micronesia, the Gov-
 20 ernment of the Republic of the Marshall Islands, and the
 21 governments of the affected jurisdictions, such sums as may
 22 be necessary for purposes of establishing or continuing pro-
 23 grams for the control and prevention of communicable dis-
 24 eases, including (but not limited to) cholera, tuberculosis,
 25 and Hansen's Disease. The Secretary of the Interior shall

1 *assist the Government of the Federated States of Micronesia,*
 2 *the Government of the Republic of the Marshall Islands and*
 3 *the governments of the affected jurisdictions in designing*
 4 *and implementing such a program.*

5 (n) *USER FEES.*—Any person in the Federated States
 6 of Micronesia or the Republic of the Marshall Islands shall
 7 be liable for user fees, if any, for services provided in the
 8 Federated States of Micronesia or the Republic of the Mar-
 9 shall Islands by the Government of the United States to the
 10 same extent as any person in the United States would be
 11 liable for fees, if any, for such services in the United States.

12 (o) *TREATMENT OF JUDGMENTS OF COURTS OF THE*
 13 *FEDERATED STATES OF MICRONESIA, THE REPUBLIC OF*
 14 *THE MARSHALL ISLANDS, AND THE REPUBLIC OF*
 15 *PALAU.*—No judgment, whenever issued, of a court of the
 16 Federated States of Micronesia, the Republic of the Marshall
 17 Islands, or the Republic of Palau, against the United
 18 States, its departments and agencies, or officials of the
 19 United States or any other individuals acting on behalf of
 20 the United States within the scope of their official duty,
 21 shall be honored by the United States, or be subject to rec-
 22 ognition or enforcement in a court in the United States,
 23 unless the judgment is consistent with the interpretation by
 24 the United States of international agreements relevant to
 25 the judgment. In determining the consistency of a judgment

1 *with an international agreement, due regard shall be given*
 2 *to assurances made by the Executive Branch to Congress*
 3 *of the United States regarding the proper interpretation of*
 4 *the international agreement.*

5 (p) *ESTABLISHMENT OF TRUST FUNDS; EXPEDITION*
 6 *OF PROCESS.—*

7 (1) *IN GENERAL.—The Trust Fund Agreement*
 8 *executed pursuant to the U.S.-FSM Compact and the*
 9 *Trust Fund Agreement executed pursuant to the U.S.-*
 10 *RMI Compact each provides for the establishment of*
 11 *a trust fund.*

12 (2) *METHOD OF ESTABLISHMENT.—The trust*
 13 *fund may be established by—*

14 (A) *creating a new legal entity to constitute*
 15 *the trust fund; or*

16 (B) *assuming control of an existing legal*
 17 *entity including, without limitation, a trust*
 18 *fund or other legal entity that was established by*
 19 *or at the direction of the Government of the*
 20 *United States, the Government of the Federated*
 21 *States of Micronesia, the Government of the Re-*
 22 *public of the Marshall Islands, or otherwise for*
 23 *the purpose of facilitating or expediting the es-*
 24 *tablishment of the trust fund pursuant to the ap-*
 25 *plicable Trust Fund Agreement.*

1 (3) *OBLIGATIONS.*—*For the purpose of exped-*
 2 *iting the commencement of operations of a trust*
 3 *fund under either Trust Fund Agreement, the trust*
 4 *fund may, but shall not be obligated to, assume any*
 5 *obligations of an existing legal entity and take assign-*
 6 *ment of any contract or other agreement to which the*
 7 *existing legal entity is party.*

8 (4) *ASSISTANCE.*—*Without limiting the author-*
 9 *ity that the United States Government may otherwise*
 10 *have under applicable law, the United States Govern-*
 11 *ment may, but shall not be obligated to, provide fi-*
 12 *nancial, technical, or other assistance directly or in-*
 13 *directly to the Government of the Federated States of*
 14 *Micronesia or the Government of the Republic of the*
 15 *Marshall Islands for the purpose of establishing and*
 16 *operating a trust fund or other legal entity that will*
 17 *solicit bids from, and enter into contracts with, par-*
 18 *ties willing to serve in such capacities as trustee, de-*
 19 *positary, money manager, or investment advisor,*
 20 *with the intention that the contracts will ultimately*
 21 *be assumed by and assigned to a trust fund estab-*
 22 *lished pursuant to a Trust Fund Agreement.*

23 **SEC. 106. CONSTRUCTION CONTRACT ASSISTANCE.**

24 (a) *ASSISTANCE TO U.S. FIRMS.*—*In order to assist*
 25 *the Governments of the Federated States of Micronesia and*

1 *of the Republic of the Marshall Islands through private sec-*
2 *tor firms which may be awarded contracts for construction*
3 *or major repair of capital infrastructure within the Fed-*
4 *erated States of Micronesia or the Republic of the Marshall*
5 *Islands, the United States shall consult with the Govern-*
6 *ments of the Federated States of Micronesia and the Repub-*
7 *lic of the Marshall Islands with respect to any such con-*
8 *tracts, and the United States shall enter into agreements*
9 *with such firms whereby such firms will, consistent with*
10 *applicable requirements of such Governments—*

11 (1) *to the maximum extent possible, employ citi-*
12 *zens of the Federated States of Micronesia and the Re-*
13 *public of the Marshall Islands;*

14 (2) *to the extent that necessary skills are not pos-*
15 *essed by citizens of the Federated States of Micro-*
16 *nesia and the Republic of the Marshall Islands, pro-*
17 *vide on the job training, with particular emphasis on*
18 *the development of skills relating to operation of ma-*
19 *chinery and routine and preventative maintenance of*
20 *machinery and other facilities; and*

21 (3) *provide specific training or other assistance*
22 *in order to enable the Government to engage in long-*
23 *term maintenance of infrastructure.*

24 *Assistance by such firms pursuant to this section may not*
25 *exceed 20 percent of the amount of the contract and shall*

1 *be made available only to such firms which meet the defini-*
 2 *tion of United States firm under the nationality rule for*
 3 *suppliers of services of the Agency for International Devel-*
 4 *opment (hereafter in this section referred to as “United*
 5 *States firms”). There are authorized to be appropriated*
 6 *such sums as may be necessary for the purposes of this sub-*
 7 *section.*

8 (b) *AUTHORIZATION OF APPROPRIATIONS.—There are*
 9 *authorized to be appropriated such sums as may be nec-*
 10 *essary to cover any additional costs incurred by the Govern-*
 11 *ment of the Federated States of Micronesia or the Republic*
 12 *of the Marshall Islands if such Governments, pursuant to*
 13 *an agreement entered into with the United States, apply*
 14 *a preference on the award of contracts to United States*
 15 *firms, provided that the amount of such preference does not*
 16 *exceed 10 percent of the amount of the lowest qualified bid*
 17 *from a non-United States firm for such contract.*

18 **SEC. 107. PROHIBITION.**

19 *The provisions of chapter 11 of title 18, United States*
 20 *Code, shall apply in full to any individual who has served*
 21 *as the United States negotiator of amendments to the Com-*
 22 *pact or its subsidiary agreements or of related agreements*
 23 *or who is or was an officer or employee of the Office in*
 24 *the Department of State responsible for negotiating amend-*
 25 *ments to the Compact or its subsidiary agreements or who*

1 *is or was assigned or detailed to that Office or who served*
 2 *on the interagency group coordinating United States policy*
 3 *on the Compact negotiations.*

4 **SEC. 108. COMPENSATORY ADJUSTMENTS.**

5 (a) *ADDITIONAL PROGRAMS AND SERVICES.—In addi-*
 6 *tion to the programs and services set forth in section 221*
 7 *of the U.S.-FSM Compact and the U.S.-RMI Compact, and*
 8 *pursuant to section 222 of the U.S.-FSM Compact and the*
 9 *U.S.-RMI Compact, the services and programs of the fol-*
 10 *lowing United States agencies shall be made available to*
 11 *the Federated States of Micronesia and the Republic of the*
 12 *Marshall Islands: the Small Business Administration, Eco-*
 13 *nomics Development Administration, the Rural Utilities*
 14 *Services (formerly Rural Electrification Administration);*
 15 *the programs and services of the Department of Labor*
 16 *under the Workforce Investment Act of 1998; and the pro-*
 17 *grams and services of the Department of Commerce relating*
 18 *to tourism and to marine resource development.*

19 (b) *FURTHER AMOUNTS.—*

20 (1) *The joint resolution of January 14, 1986*
 21 *(Public Law 99–239) provided that the governments*
 22 *of the Federated States of Micronesia and the Mar-*
 23 *shall Islands may submit to Congress reports con-*
 24 *cerning the overall financial and economic impacts*
 25 *on such areas resulting from the effect of title IV of*

1 *that joint resolution upon Title Two of the Compact.*
2 *There were authorized to be appropriated for fiscal*
3 *years beginning after September 30, 1990, such*
4 *amounts as necessary, but not to exceed \$40,000,000*
5 *for the Federated States of Micronesia and*
6 *\$20,000,000 for the Marshall Islands, as provided in*
7 *appropriation acts, to further compensate the govern-*
8 *ments of such islands (in addition to the compensa-*
9 *tion provided in subsections (a) and (b) of section 111*
10 *of the joint resolution of January 14, 1986 (Public*
11 *Law 99-239) for adverse impacts, if any, on the fi-*
12 *nances and economies of such areas resulting from the*
13 *effect of title IV of that joint resolution upon Title*
14 *Two of the Compact. The joint resolution of January*
15 *14, 1986 (Public Law 99-239) further provided that*
16 *at the end of the initial fifteen-year term of the Com-*
17 *compact, should any portion of the total amount of funds*
18 *authorized in section 111 of that resolution not have*
19 *been appropriated, such amount not yet appropriated*
20 *may be appropriated, without regard to divisions be-*
21 *tween amounts authorized in section 111 for the Fed-*
22 *erated States of Micronesia and for the Marshall Is-*
23 *lands, based on either or both such government's*
24 *showing of such adverse impact, if any, as provided*
25 *in that subsection.*

1 (2) *The governments of the Federated States of*
 2 *Micronesia and the Republic of the Marshall Islands*
 3 *may each submit no more than one report or request*
 4 *for further compensation under section 111 of the*
 5 *joint resolution of January 14, 1986 (Public Law 99–*
 6 *239) and any such report or request must be sub-*
 7 *mitted by September 30, 2009. Only adverse economic*
 8 *effects occurring during the initial 15-year term of*
 9 *the Compact may be considered for compensation*
 10 *under section 111 of the joint resolution of January*
 11 *14, 1986 (Public Law 99–239).*

12 **SEC. 109. AUTHORIZATION AND CONTINUING APPROPRIA-**
 13 **TION.**

14 (a) *There are authorized and appropriated to the De-*
 15 *partment of the Interior, out of any funds in the Treasury*
 16 *not otherwise appropriated, to remain available until ex-*
 17 *pende, such sums as are necessary to carry out the pur-*
 18 *poses of sections 211, 212(b), 215, and 217 of the U.S.-FSM*
 19 *Compact and sections 211, 212, 213(b), 216, and 218 of*
 20 *the U.S.-RMI Compact, in this and subsequent years.*

21 (b) *There are authorized to be appropriated to the De-*
 22 *partments, agencies, and instrumentalities named in para-*
 23 *graphs (1) and (3) through (6) of section 221(a) of the U.S.-*
 24 *FSM Compact and paragraphs (1) and (3) through (5) of*
 25 *section 221(a) of the U.S.-RMI Compact, such sums as are*

1 *necessary to carry out the purposes of sections 221(a) of*
 2 *the U.S.-FSM Compact and the U.S.-RMI Compact, to re-*
 3 *main available until expended.*

4 **SEC. 110. PAYMENT OF CITIZENS OF THE FEDERATED**
 5 **STATES OF MICRONESIA, THE REPUBLIC OF**
 6 **THE MARSHALL ISLANDS, AND THE REPUBLIC**
 7 **OF PALAU EMPLOYED BY THE GOVERNMENT**
 8 **OF THE UNITED STATES IN THE CONTI-**
 9 **NENTAL UNITED STATES.**

10 *Section 605 of Public Law 107–67 (the Treasury and*
 11 *General Government Appropriations Act, 2002) is amended*
 12 *by striking “or the Republic of the Philippines,” in the last*
 13 *sentence and inserting the following: “the Republic of the*
 14 *Philippines, the Federated States of Micronesia, the Repub-*
 15 *lic of the Marshall Islands, or the Republic of Palau,”.*

1 **TITLE II—COMPACTS OF FREE**
2 **ASSOCIATION WITH THE FED-**
3 **ERATED STATES OF MICRO-**
4 **NESIA AND THE REPUBLIC OF**
5 **THE MARSHALL ISLANDS**

6 **SEC. 201. COMPACTS OF FREE ASSOCIATION, AS AMENDED**
7 **BETWEEN THE GOVERNMENT OF THE**
8 **UNITED STATES OF AMERICA AND THE GOV-**
9 **ERNMENT OF THE FEDERATED STATES OF**
10 **MICRONESIA AND BETWEEN THE GOVERN-**
11 **MENT OF THE UNITED STATES OF AMERICA**
12 **AND THE GOVERNMENT OF THE REPUBLIC**
13 **OF THE MARSHALL ISLANDS.**

14 (a) COMPACT OF FREE ASSOCIATION, AS AMENDED,
15 BETWEEN THE GOVERNMENT OF THE UNITED STATES
16 OF AMERICA AND THE GOVERNMENT OF THE FED-
17 ERATED STATES OF MICRONESIA.—

18 PREAMBLE
19 THE GOVERNMENT OF THE UNITED STATES OF
20 AMERICA AND THE GOVERNMENT OF THE
21 FEDERATED STATES OF MICRONESIA

22 Affirming that their Governments and their relation-
23 ship as Governments are founded upon respect for human
24 rights and fundamental freedoms for all, and that the peo-

1 ple of the Federated States of Micronesia have the right
2 to enjoy self-government; and

3 Affirming the common interests of the United States
4 of America and the Federated States of Micronesia in cre-
5 ating and maintaining their close and mutually beneficial
6 relationship through the free and voluntary association of
7 their respective Governments; and

8 Affirming the interest of the Government of the
9 United States in promoting the economic advancement
10 and budgetary self-reliance of the Federated States of Mi-
11 cronesia; and

12 Recognizing that their relationship until the entry
13 into force on November 3, 1986 of the Compact was based
14 upon the International Trusteeship System of the United
15 Nations Charter, and in particular Article 76 of the Char-
16 ter; and that pursuant to Article 76 of the Charter, the
17 people of the Federated States of Micronesia have progres-
18 sively developed their institutions of self-government, and
19 that in the exercise of their sovereign right to self-deter-
20 mination they, through their freely-expressed wishes, have
21 adopted a Constitution appropriate to their particular cir-
22 cumstances; and

23 Recognizing that the Compact reflected their common
24 desire to terminate the Trusteeship and establish a gov-
25 ernment-to-government relationship which was in accord-

1 ance with the new political status based on the freely ex-
2 pressed wishes of the people of the Federated States of
3 Micronesia and appropriate to their particular cir-
4 cumstances; and

5 Recognizing that the people of the Federated States
6 of Micronesia have and retain their sovereignty and their
7 sovereign right to self-determination and the inherent
8 right to adopt and amend their own Constitution and form
9 of government and that the approval of the entry of the
10 Government of the Federated States of Micronesia into
11 the Compact by the people of the Federated States of Mi-
12 cronesia constituted an exercise of their sovereign right
13 to self-determination; and

14 Recognizing the common desire of the people of the
15 United States and the people of the Federated States of
16 Micronesia to maintain their close government-to-govern-
17 ment relationship, the United States and the Federated
18 States of Micronesia:

19 NOW, THEREFORE, MUTUALLY AGREE to
20 continue and strengthen their relationship of free associa-
21 tion by amending the Compact, which continues to provide
22 a full measure of self-government for the people of the
23 Federated States of Micronesia; and

24 FURTHER AGREE that the relationship of free as-
25 sociation derives from and is as set forth in this Compact,

1 as amended, by the Governments of the United States and
2 the Federated States of Micronesia; and that, during such
3 relationship of free association, the respective rights and
4 responsibilities of the Government of the United States
5 and the Government of the Federated States of Micronesia
6 in regard to this relationship of free association derive
7 from and are as set forth in this Compact, as amended.

8 TITLE ONE

9 GOVERNMENTAL RELATIONS

10 Article I

11 Self-Government

12 Section 111

13 The people of the Federated States of Micronesia,
14 acting through the Government established under their
15 Constitution, are self-governing.

16 Article II

17 Foreign Affairs

18 Section 121

19 (a) The Government of the Federated States of Mi-
20 cronesia has the capacity to conduct foreign affairs and
21 shall do so in its own name and right, except as otherwise
22 provided in this Compact, as amended.

23 (b) The foreign affairs capacity of the Government
24 of the Federated States of Micronesia includes:

1 (1) the conduct of foreign affairs relating to law
2 of the sea and marine resources matters, including
3 the harvesting, conservation, exploration or exploi-
4 tation of living and non-living resources from the
5 sea, seabed or subsoil to the full extent recognized
6 under international law;

7 (2) the conduct of its commercial, diplomatic,
8 consular, economic, trade, banking, postal, civil avia-
9 tion, communications, and cultural relations, includ-
10 ing negotiations for the receipt of developmental
11 loans and grants and the conclusion of arrangements
12 with other governments and international and inter-
13 governmental organizations, including any matters
14 specially benefiting its individual citizens.

15 (c) The Government of the United States recognizes
16 that the Government of the Federated States of Micro-
17 nesia has the capacity to enter into, in its own name and
18 right, treaties and other international agreements with
19 governments and regional and international organizations.

20 (d) In the conduct of its foreign affairs, the Govern-
21 ment of the Federated States of Micronesia confirms that
22 it shall act in accordance with principles of international
23 law and shall settle its international disputes by peaceful
24 means.

25 Section 122

1 The Government of the United States shall support
2 applications by the Government of the Federated States
3 of Micronesia for membership or other participation in re-
4 gional or international organizations as may be mutually
5 agreed.

6 Section 123

7 (a) In recognition of the authority and responsibility
8 of the Government of the United States under Title Three,
9 the Government of the Federated States of Micronesia
10 shall consult, in the conduct of its foreign affairs, with
11 the Government of the United States.

12 (b) In recognition of the foreign affairs capacity of
13 the Government of the Federated States of Micronesia,
14 the Government of the United States, in the conduct of
15 its foreign affairs, shall consult with the Government of
16 the Federated States of Micronesia on matters that the
17 Government of the United States regards as relating to
18 or affecting the Government of the Federated States of
19 Micronesia.

20 Section 124

21 The Government of the United States may assist or
22 act on behalf of the Government of the Federated States
23 of Micronesia in the area of foreign affairs as may be re-
24 quested and mutually agreed from time to time. The Gov-
25 ernment of the United States shall not be responsible to

1 third parties for the actions of the Government of the Fed-
2 erated States of Micronesia undertaken with the assist-
3 ance or through the agency of the Government of the
4 United States pursuant to this section unless expressly
5 agreed.

6 Section 125

7 The Government of the United States shall not be
8 responsible for nor obligated by any actions taken by the
9 Government of the Federated States of Micronesia in the
10 area of foreign affairs, except as may from time to time
11 be expressly agreed.

12 Section 126

13 At the request of the Government of the Federated
14 States of Micronesia and subject to the consent of the re-
15 ceiving state, the Government of the United States shall
16 extend consular assistance on the same basis as for citi-
17 zens of the United States to citizens of the Federated
18 States of Micronesia for travel outside the Federated
19 States of Micronesia, the United States and its territories
20 and possessions.

21 Section 127

22 Except as otherwise provided in this Compact, as
23 amended, or its related agreements, all obligations, re-
24 sponsibilities, rights and benefits of the Government of the
25 United States as Administering Authority which resulted

1 from the application pursuant to the Trusteeship Agree-
2 ment of any treaty or other international agreement to the
3 Trust Territory of the Pacific Islands on November 2,
4 1986, are, as of that date, no longer assumed and enjoyed
5 by the Government of the United States.

6 Article III

7 Communications

8 Section 131

9 (a) The Government of the Federated States of Mi-
10 cronesia has full authority and responsibility to regulate
11 its domestic and foreign communications, and the Govern-
12 ment of the United States shall provide communications
13 assistance as mutually agreed.

14 (b) On May 24, 1993, the Government of the Fed-
15 erated States of Micronesia elected to undertake all func-
16 tions previously performed by the Government of the
17 United States with respect to domestic and foreign com-
18 munications, except for those functions set forth in a sepa-
19 rate agreement entered into pursuant to this section of
20 the Compact, as amended.

21 Section 132

22 The Government of the Federated States of Micro-
23 nesia shall permit the Government of the United States
24 to operate telecommunications services in the Federated
25 States of Micronesia to the extent necessary to fulfill the

1 obligations of the Government of the United States under
 2 this Compact, as amended, in accordance with the terms
 3 of separate agreements entered into pursuant to this sec-
 4 tion of the Compact, as amended.

5 Article IV

6 Immigration

7 Section 141

8 (a) In furtherance of the special and unique relation-
 9 ship that exists between the United States and the Fed-
 10 erated States of Micronesia, under the Compact, as
 11 amended, any person in the following categories may be
 12 admitted to, lawfully engage in occupations, and establish
 13 residence as a nonimmigrant in the United States and its
 14 territories and possessions (the “United States”) without
 15 regard to paragraph (5) or (7)(B)(i)(II) of section 212(a)
 16 of the Immigration and Nationality Act, as amended, 8
 17 U.S.C. 1182(a)(5) or (7)(B)(i)(II):

18 (1) a person who, on November 2, 1986, was a
 19 citizen of the Trust Territory of the Pacific Islands,
 20 as defined in Title 53 of the Trust Territory Code
 21 in force on January 1, 1979, and has become and
 22 remains a citizen of the Federated States of Micro-
 23 nesia;

24 (2) a person who acquires the citizenship of the
 25 Federated States of Micronesia at birth, on or after

1 the effective date of the Constitution of the Fed-
2 erated States of Micronesia;

3 (3) an immediate relative of a person referred
4 to in paragraphs (1) or (2) of this section, provided
5 that such immediate relative is a naturalized citizen
6 of the Federated States of Micronesia who has been
7 an actual resident there for not less than five years
8 after attaining such naturalization and who holds a
9 certificate of actual residence, and further provided,
10 that, in the case of a spouse, such spouse has been
11 married to the person referred to in paragraph (1)
12 or (2) of this section for at least five years, and fur-
13 ther provided, that the Government of the United
14 States is satisfied that such naturalized citizen
15 meets the requirement of subsection (b) of section
16 104 of Public Law 99–239 as it was in effect on the
17 day prior to the effective date of this Compact, as
18 amended;

19 (4) a naturalized citizen of the Federated
20 States of Micronesia who was an actual resident
21 there for not less than five years after attaining such
22 naturalization and who satisfied these requirements
23 as of April 30, 2003, who continues to be an actual
24 resident and holds a certificate of actual residence,
25 and whose name is included in a list furnished by

1 the Government of the Federated States of Micro-
2 nesia to the Government of the United States no
3 later than the effective date of the Compact, as
4 amended, in form and content acceptable to the Gov-
5 ernment of the United States, provided, that the
6 Government of the United States is satisfied that
7 such naturalized citizen meets the requirement of
8 subsection (b) of section 104 of Public Law 99–239
9 as it was in effect on the day prior to the effective
10 date of this Compact, as amended; or

11 (5) an immediate relative of a citizen of the
12 Federated States of Micronesia, regardless of the
13 immediate relative's country of citizenship or period
14 of residence in the Federated States of Micronesia,
15 if the citizen of the Federated States of Micronesia
16 is serving on active duty in any branch of the United
17 States Armed Forces, or in the active reserves.

18 (b) Notwithstanding subsection (a) of this section, a
19 person who is coming to the United States pursuant to
20 an adoption outside the United States, or for the purpose
21 of adoption in the United States, is ineligible for admission
22 under the Compact and the Compact, as amended. This
23 subsection shall apply to any person who is or was an ap-
24 plicant for admission to the United States on or after
25 March 1, 2003, including any applicant for admission in

1 removal proceedings (including appellate proceedings) on
2 or after March 1, 2003, regardless of the date such pro-
3 ceedings were commenced. This subsection shall have no
4 effect on the ability of the Government of the United
5 States or any United States State or local government to
6 commence or otherwise take any action against any person
7 or entity who has violated any law relating to the adoption
8 of any person.

9 (c) Notwithstanding subsection (a) of this section, no
10 person who has been or is granted citizenship in the Fed-
11 erated States of Micronesia, or has been or is issued a
12 Federated States of Micronesia passport pursuant to any
13 investment, passport sale, or similar program has been or
14 shall be eligible for admission to the United States under
15 the Compact or the Compact, as amended.

16 (d) A person admitted to the United States under the
17 Compact, or the Compact, as amended, shall be considered
18 to have the permission of the Government of the United
19 States to accept employment in the United States. An un-
20 expired Federated States of Micronesia passport with un-
21 expired documentation issued by the Government of the
22 United States evidencing admission under the Compact or
23 the Compact, as amended, shall be considered to be docu-
24 mentation establishing identity and employment author-
25 ization under section 274A(b)(1)(B) of the Immigration

1 and Nationality Act, as amended, 8 U.S.C.
2 1324a(b)(1)(B). The Government of the United States
3 will take reasonable and appropriate steps to implement
4 and publicize this provision, and the Government of the
5 Federated States of Micronesia will also take reasonable
6 and appropriate steps to publicize this provision.

7 (e) For purposes of the Compact and the Compact,
8 as amended:

9 (1) the term “residence” with respect to a per-
10 son means the person’s principal, actual dwelling
11 place in fact, without regard to intent, as provided
12 in section 101(a)(33) of the Immigration and Na-
13 tionality Act, as amended, 8 U.S.C. 1101(a)(33),
14 and variations of the term “residence,” including
15 “resident” and “reside,” shall be similarly con-
16 strued;

17 (2) the term “actual residence” means physical
18 presence in the Federated States of Micronesia dur-
19 ing eighty-five percent of the five-year period of resi-
20 dency required by section 141(a)(3) and (4);

21 (3) the term “certificate of actual residence”
22 means a certificate issued to a naturalized citizen by
23 the Government of the Federated States of Micro-
24 nesia stating that the citizen has complied with the

1 actual residence requirement of section 141(a)(3) or
2 (4);

3 (4) the term “nonimmigrant” means an alien
4 who is not an “immigrant” as defined in section
5 101(a)(15) of such Act, 8 U.S.C. 1101(a)(15); and

6 (5) the term “immediate relative” means a
7 spouse, or unmarried son or unmarried daughter
8 less than 21 years of age.

9 (f) The Immigration and Nationality Act, as amend-
10 ed, shall apply to any person admitted or seeking admis-
11 sion to the United States (other than a United States pos-
12 session or territory where such Act does not apply) under
13 the Compact or the Compact, as amended, and nothing
14 in the Compact or the Compact, as amended, shall be con-
15 strued to limit, preclude, or modify the applicability of,
16 with respect to such person:

17 (1) any ground of inadmissibility or deport-
18 ability under such Act (except sections 212(a)(5)
19 and 212(a)(7)(B)(i)(II) of such Act, as provided in
20 subsection (a) of this section), and any defense
21 thereto, provided that, section 237(a)(5) of such Act
22 shall be construed and applied as if it reads as fol-
23 lows: “any alien who has been admitted under the
24 Compact, or the Compact, as amended, who cannot

1 show that he or she has sufficient means of support
2 in the United States, is deportable”;

3 (2) the authority of the Government of the
4 United States under section 214(a)(1) of such Act
5 to provide that admission as a nonimmigrant shall
6 be for such time and under such conditions as the
7 Government of the United States may by regulations
8 prescribe;

9 (3) Except for the treatment of certain docu-
10 mentation for purposes of section 274A(b)(1)(B) of
11 such Act as provided by subsection (d) of this sec-
12 tion of the Compact, as amended, any requirement
13 under section 274A, including but not limited to sec-
14 tion 274A(b)(1)(E);

15 (4) Section 643 of the Illegal Immigration Re-
16 form and Immigrant Responsibility Act of 1996,
17 Public Law 104–208, and actions taken pursuant to
18 section 643; and

19 (5) the authority of the Government of the
20 United States otherwise to administer and enforce
21 the Immigration and Nationality Act, as amended,
22 or other United States law.

23 (g) Any authority possessed by the Government of the
24 United States under this section of the Compact or the
25 Compact, as amended, may also be exercised by the Gov-

1 ernment of a territory or possession of the United States
2 where the Immigration and Nationality Act, as amended,
3 does not apply, to the extent such exercise of authority
4 is lawful under a statute or regulation of such territory
5 or possession that is authorized by the laws of the United
6 States.

7 (h) Subsection (a) of this section does not confer on
8 a citizen of the Federated States of Micronesia the right
9 to establish the residence necessary for naturalization
10 under the Immigration and Nationality Act, as amended,
11 or to petition for benefits for alien relatives under that
12 Act. Subsection (a) of this section, however, shall not pre-
13 vent a citizen of the Federated States of Micronesia from
14 otherwise acquiring such rights or lawful permanent resi-
15 dent alien status in the United States.

16 Section 142

17 (a) Any citizen or national of the United States may
18 be admitted, to lawfully engage in occupations, and reside
19 in the Federated States of Micronesia, subject to the
20 rights of the Government of the Federated States of Mi-
21 cronesia to deny entry to or deport any such citizen or
22 national as an undesirable alien. Any determination of in-
23 admissibility or deportability shall be based on reasonable
24 statutory grounds and shall be subject to appropriate ad-
25 ministrative and judicial review within the Federated

1 States of Micronesia. If a citizen or national of the United
2 States is a spouse of a citizen of the Federated States
3 of Micronesia, the Government of the Federated States of
4 Micronesia shall allow the United States citizen spouse to
5 establish residence. Should the Federated States of Micro-
6 nesia citizen spouse predecease the United States citizen
7 spouse during the marriage, the Government of the Fed-
8 erated States of Micronesia shall allow the United States
9 citizen spouse to continue to reside in the Federated
10 States of Micronesia.

11 (b) In enacting any laws or imposing any require-
12 ments with respect to citizens and nationals of the United
13 States entering the Federated States of Micronesia under
14 subsection (a) of this section, including any grounds of
15 inadmissibility or deportability, the Government of the
16 Federated States of Micronesia shall accord to such citi-
17 zens and nationals of the United States treatment no less
18 favorable than that accorded to citizens of other countries.

19 (c) Consistent with subsection (a) of this section, with
20 respect to citizens and nationals of the United States seek-
21 ing to engage in employment or invest in the Federated
22 States of Micronesia, the Government of the Federated
23 States of Micronesia shall adopt immigration-related pro-
24 cedures no less favorable than those adopted by the Gov-
25 ernment of the United States with respect to citizens of

1 the Federated States of Micronesia seeking employment
2 in the United States.

3 Section 143

4 Any person who relinquishes, or otherwise loses, his
5 United States nationality or citizenship, or his Federated
6 States of Micronesia citizenship, shall be ineligible to re-
7 ceive the privileges set forth in sections 141 and 142. Any
8 such person may apply for admission to the United States
9 or the Federated States of Micronesia, as the case may
10 be, in accordance with any other applicable laws of the
11 United States or the Federated States of Micronesia relat-
12 ing to immigration of aliens from other countries. The
13 laws of the Federated States of Micronesia or the United
14 States, as the case may be, shall dictate the terms and
15 conditions of any such person's stay.

16 Article V

17 Representation

18 Section 151

19 Relations between the Government of the United
20 States and the Government of the Federated States of Mi-
21 cronesia shall be conducted in accordance with the Vienna
22 Convention on Diplomatic Relations. In addition to diplo-
23 matic missions and representation, the Governments may
24 establish and maintain other offices and designate other

1 representatives on terms and in locations as may be mutu-
2 ally agreed.

3 Section 152

4 (a) Any citizen or national of the United States who,
5 without authority of the United States, acts as the agent
6 of the Government of the Federated States of Micronesia
7 with regard to matters specified in the provisions of the
8 Foreign Agents Registration Act of 1938, as amended (22
9 U.S.C. 611 et seq.), that apply with respect to an agent
10 of a foreign principal shall be subject to the requirements
11 of such Act. Failure to comply with such requirements
12 shall subject such citizen or national to the same penalties
13 and provisions of law as apply in the case of the failure
14 of such an agent of a foreign principal to comply with such
15 requirements. For purposes of the Foreign Agents Reg-
16 istration Act of 1938, the Federated States of Micronesia
17 shall be considered to be a foreign country.

18 (b) Subsection (a) of this section shall not apply to
19 a citizen or national of the United States employed by the
20 Government of the Federated States of Micronesia with
21 respect to whom the Government of the Federated States
22 of Micronesia from time to time certifies to the Govern-
23 ment of the United States that such citizen or national
24 is an employee of the Federated States of Micronesia
25 whose principal duties are other than those matters speci-

1 filed in the Foreign Agents Registration Act of 1938, as
 2 amended, that apply with respect to an agent of a foreign
 3 principal. The agency or officer of the United States re-
 4 ceiving such certifications shall cause them to be filed with
 5 the Attorney General, who shall maintain a publicly avail-
 6 able list of the persons so certified.

7 Article VI

8 Environmental Protection

9 Section 161

10 The Governments of the United States and the Fed-
 11 erated States of Micronesia declare that it is their policy
 12 to promote efforts to prevent or eliminate damage to the
 13 environment and biosphere and to enrich understanding
 14 of the natural resources of the Federated States of Micro-
 15 nesia. In order to carry out this policy, the Government
 16 of the United States and the Government of the Federated
 17 States of Micronesia agree to the following mutual and
 18 reciprocal undertakings.

19 (a) The Government of the United States:

20 (1) shall continue to apply the environmental
 21 controls in effect on November 2, 1986 to those of
 22 its continuing activities subject to section 161(a)(2),
 23 unless and until those controls are modified under
 24 sections 161(a)(3) and 161(a)(4);

1 (2) shall apply the National Environmental Pol-
2 icy Act of 1969, 83 Stat. 852, 42 U.S.C. 4321 et
3 seq., to its activities under the Compact, as amend-
4 ed, and its related agreements as if the Federated
5 States of Micronesia were the United States;

6 (3) shall comply also, in the conduct of any ac-
7 tivity requiring the preparation of an Environmental
8 Impact Statement under section 161(a)(2), with
9 standards substantively similar to those required by
10 the following laws of the United States, taking into
11 account the particular environment of the Federated
12 States of Micronesia: the Endangered Species Act of
13 1973, as amended, 87 Stat. 884, 16 U.S.C. 1531 et
14 seq.; the Clean Air Act, as amended, 77 Stat. 392,
15 42 U.S.C. Supp. 7401 et seq.; the Clean Water Act
16 (Federal Water Pollution Control Act), as amended,
17 86 Stat. 896, 33 U.S.C. 1251 et seq.; Title I of the
18 Marine Protection, Research and Sanctuaries Act of
19 1972 (the Ocean Dumping Act), 33 U.S.C. 1411 et
20 seq.; the Toxic Substances Control Act, as amended,
21 15 U.S.C. 2601 et seq.; the Solid Waste Disposal
22 Act, as amended, 42 U.S.C. 6901 et seq.; and such
23 other environmental protection laws of the United
24 States and of the Federated States of Micronesia, as
25 may be mutually agreed from time to time with the

1 Government of the Federated States of Micronesia;
2 and

3 (4) shall develop, prior to conducting any activ-
4 ity requiring the preparation of an Environmental
5 Impact Statement under section 161(a)(2), written
6 standards and procedures, as agreed with the Gov-
7 ernment of the Federated States of Micronesia, to
8 implement the substantive provisions of the laws
9 made applicable to U.S. Government activities in the
10 Federated States of Micronesia, pursuant to section
11 161(a)(3).

12 (b) The Government of the Federated States of Mi-
13 cronesia shall continue to develop and implement stand-
14 ards and procedures to protect its environment. As a re-
15 ciprocal obligation to the undertakings of the Government
16 of the United States under this Article, the Federated
17 States of Micronesia, taking into account its particular en-
18 vironment, shall continue to develop and implement stand-
19 ards for environmental protection substantively similar to
20 those required of the Government of the United States by
21 section 161(a)(3) prior to its conducting activities in the
22 Federated States of Micronesia, substantively equivalent
23 to activities conducted there by the Government of the
24 United States and, as a further reciprocal obligation, shall
25 enforce those standards.

1 (c) Section 161(a), including any standard or proce-
2 dure applicable thereunder, and section 161(b) may be
3 modified or superseded in whole or in part by agreement
4 of the Government of the United States and the Govern-
5 ment of the Federated States of Micronesia.

6 (d) In the event that an Environmental Impact State-
7 ment is no longer required under the laws of the United
8 States for major Federal actions significantly affecting the
9 quality of the human environment, the regulatory regime
10 established under sections 161(a)(3) and 161(a)(4) shall
11 continue to apply to such activities of the Government of
12 the United States until amended by mutual agreement.

13 (e) The President of the United States may exempt
14 any of the activities of the Government of the United
15 States under this Compact, as amended, and its related
16 agreements from any environmental standard or proce-
17 dure which may be applicable under sections 161(a)(3)
18 and 161(a)(4) if the President determines it to be in the
19 paramount interest of the Government of the United
20 States to do so, consistent with Title Three of this Com-
21 pact, as amended, and the obligations of the Government
22 of the United States under international law. Prior to any
23 decision pursuant to this subsection, the views of the Gov-
24 ernment of the Federated States of Micronesia shall be
25 sought and considered to the extent practicable. If the

1 President grants such an exemption, to the extent prac-
2 ticable, a report with his reasons for granting such exemp-
3 tion shall be given promptly to the Government of the Fed-
4 erated States of Micronesia.

5 (f) The laws of the United States referred to in sec-
6 tion 161(a)(3) shall apply to the activities of the Govern-
7 ment of the United States under this Compact, as amend-
8 ed, and its related agreements only to the extent provided
9 for in this section.

10 Section 162

11 The Government of the Federated States of Micro-
12 nesia may bring an action for judicial review of any admin-
13 istrative agency action or any activity of the Government
14 of the United States pursuant to section 161(a) for en-
15 forcement of the obligations of the Government of the
16 United States arising thereunder. The United States Dis-
17 trict Court for the District of Hawaii and the United
18 States District Court for the District of Columbia shall
19 have jurisdiction over such action or activity, and over ac-
20 tions brought under section 172(b) which relate to the ac-
21 tivities of the Government of the United States and its
22 officers and employees, governed by section 161, provided
23 that:

24 (a) Such actions may only be civil actions for
25 any appropriate civil relief other than punitive dam-

1 ages against the Government of the United States
2 or, where required by law, its officers in their official
3 capacity; no criminal actions may arise under this
4 section.

5 (b) Actions brought pursuant to this section
6 may be initiated only by the Government of the Fed-
7 erated States of Micronesia.

8 (c) Administrative agency actions arising under
9 section 161 shall be reviewed pursuant to the stand-
10 ard of judicial review set forth in 5 U.S.C. 706.

11 (d) The United States District Court for the
12 District of Hawaii and the United States District
13 Court for the District of Columbia shall have juris-
14 diction to issue all necessary processes, and the Gov-
15 ernment of the United States agrees to submit itself
16 to the jurisdiction of the court; decisions of the
17 United States District Court shall be reviewable in
18 the United States Court of Appeals for the Ninth
19 Circuit or the United States Court of Appeals for
20 the District of Columbia, respectively, or in the
21 United States Supreme Court as provided by the
22 laws of the United States.

23 (e) The judicial remedy provided for in this sec-
24 tion shall be the exclusive remedy for the judicial re-
25 view or enforcement of the obligations of the Gov-

1 ernment of the United States under this Article and
2 actions brought under section 172(b) which relate to
3 the activities of the Government of the United
4 States and its officers and employees governed by
5 section 161.

6 (f) In actions pursuant to this section, the Gov-
7 ernment of the Federated States of Micronesia shall
8 be treated as if it were a United States citizen.

9 Section 163

10 (a) For the purpose of gathering data necessary to
11 study the environmental effects of activities of the Govern-
12 ment of the United States subject to the requirements of
13 this Article, the Government of the Federated States of
14 Micronesia shall be granted access to facilities operated
15 by the Government of the United States in the Federated
16 States of Micronesia, to the extent necessary for this pur-
17 pose, except to the extent such access would unreasonably
18 interfere with the exercise of the authority and responsi-
19 bility of the Government of the United States under Title
20 Three.

21 (b) The Government of the United States, in turn,
22 shall be granted access to the Federated States of Micro-
23 nesia for the purpose of gathering data necessary to dis-
24 charge its obligations under this Article, except to the ex-
25 tent such access would unreasonably interfere with the ex-

1 exercise of the authority and responsibility of the Govern-
 2 ment of the Federated States of Micronesia under Title
 3 One, and to the extent necessary for this purpose shall
 4 be granted access to documents and other information to
 5 the same extent similar access is provided the Government
 6 of the Federated States of Micronesia under the Freedom
 7 of Information Act, 5 U.S.C. 552.

8 (c) The Government of the Federated States of Mi-
 9 cronesia shall not impede efforts by the Government of
 10 the United States to comply with applicable standards and
 11 procedures.

12 Article VII

13 General Legal Provisions

14 Section 171

15 Except as provided in this Compact, as amended, or
 16 its related agreements, the application of the laws of the
 17 United States to the Trust Territory of the Pacific Islands
 18 by virtue of the Trusteeship Agreement ceased with re-
 19 spect to the Federated States of Micronesia on November
 20 3, 1986, the date the Compact went into effect.

21 Section 172

22 (a) Every citizen of the Federated States of Micro-
 23 nesia who is not a resident of the United States shall enjoy
 24 the rights and remedies under the laws of the United
 25 States enjoyed by any non-resident alien.

1 (b) The Government of the Federated States of Mi-
2 cronisia and every citizen of the Federated States of Mi-
3 cronisia shall be considered to be a “person” within the
4 meaning of the Freedom of Information Act, 5 U.S.C.
5 552, and of the judicial review provisions of the Adminis-
6 trative Procedure Act, 5 U.S.C. 701–706, except that only
7 the Government of the Federated States of Micronesia
8 may seek judicial review under the Administrative Proce-
9 dure Act or judicial enforcement under the Freedom of
10 Information Act when such judicial review or enforcement
11 relates to the activities of the Government of the United
12 States governed by sections 161 and 162.

13 Section 173

14 The Governments of the United States and the Fed-
15 erated States of Micronesia agree to adopt and enforce
16 such measures, consistent with this Compact, as amended,
17 and its related agreements, as may be necessary to protect
18 the personnel, property, installations, services, programs
19 and official archives and documents maintained by the
20 Government of the United States in the Federated States
21 of Micronesia pursuant to this Compact, as amended, and
22 its related agreements and by the Government of the Fed-
23 erated States of Micronesia in the United States pursuant
24 to this Compact, as amended, and its related agreements.

25 Section 174

1 Except as otherwise provided in this Compact, as
2 amended, and its related agreements:

3 (a) The Government of the Federated States of
4 Micronesia, and its agencies and officials, shall be
5 immune from the jurisdiction of the court of the
6 United States, and the Government of the United
7 States, and its agencies and officials, shall be im-
8 mune from the jurisdiction of the courts of the Fed-
9 erated States of Micronesia.

10 (b) The Government of the United States ac-
11 cepts responsibility for and shall pay:

12 (1) any unpaid money judgment rendered
13 by the High Court of the Trust Territory of the
14 Pacific Islands against the Government of the
15 United States with regard to any cause of ac-
16 tion arising as a result of acts or omissions of
17 the Government of the Trust Territory of the
18 Pacific Islands or the Government of the
19 United States prior to November 3, 1986;

20 (2) any claim settled by the claimant and
21 the Government of the Trust Territory of the
22 Pacific Islands but not paid as of the November
23 3, 1986; and

24 (3) settlement of any administrative claim
25 or of any action before a court of the Trust

1 Territory of the Pacific Islands or the Govern-
2 ment of the United States, arising as a result
3 of acts or omissions of the Government of the
4 Trust Territory of the Pacific Islands or the
5 Government of the United States.

6 (c) Any claim not referred to in section 174(b)
7 and arising from an act or omission of the Govern-
8 ment of the Trust Territory of the Pacific Islands or
9 the Government of the United States prior to the ef-
10 fective date of the Compact shall be adjudicated in
11 the same manner as a claim adjudicated according
12 to section 174(d). In any claim against the Govern-
13 ment of the Trust Territory of the Pacific Islands,
14 the Government of the United States shall stand in
15 the place of the Government of the Trust Territory
16 of the Pacific Islands. A judgment on any claim re-
17 ferred to in section 174(b) or this subsection, not
18 otherwise satisfied by the Government of the United
19 States, may be presented for certification to the
20 United States Court of Appeals for the Federal Cir-
21 cuit, or its successor courts, which shall have juris-
22 diction therefore, notwithstanding the provisions of
23 28 U.S.C. 1502, and which court's decisions shall be
24 reviewable as provided by the laws of the United
25 States. The United States Court of Appeals for the

1 Federal Circuit shall certify such judgment, and
2 order payment thereof, unless it finds, after a hear-
3 ing, that such judgment is manifestly erroneous as
4 to law or fact, or manifestly excessive. In either of
5 such cases the United States Court of Appeals for
6 the Federal Circuit shall have jurisdiction to modify
7 such judgment.

8 (d) The Government of the Federated States of
9 Micronesia shall not be immune from the jurisdic-
10 tion of the courts of the United States, and the Gov-
11 ernment of the United States shall not be immune
12 from the jurisdiction of the courts of the Federated
13 States of Micronesia in any civil case in which an ex-
14 ception to foreign state immunity is set forth in the
15 Foreign Sovereign Immunities Act (28 U.S.C. 1602
16 et seq.) or its successor statutes.

17 Section 175

18 (a) A separate agreement, which shall come into ef-
19 fect simultaneously with this Compact, as amended, and
20 shall have the force of law, shall govern mutual assistance
21 and cooperation in law enforcement matters, including the
22 pursuit, capture, imprisonment and extradition of fugi-
23 tives from justice and the transfer of prisoners, as well
24 as other law enforcement matters. In the United States,
25 the laws of the United States governing international ex-

1 tradition, including 18 U.S.C. 3184, 3186 and 3188–95,
2 shall be applicable to the extradition of fugitives under the
3 separate agreement, and the laws of the United States
4 governing the transfer of prisoners, including 18 U.S.C.
5 4100–15, shall be applicable to the transfer of prisoners
6 under the separate agreement; and

7 (b) A separate agreement, which shall come into ef-
8 fect simultaneously with this Compact, as amended, and
9 shall have the force of law, shall govern requirements re-
10 lating to labor recruitment practices, including registra-
11 tion, reporting, suspension or revocation of authorization
12 to recruit persons for employment in the United States,
13 and enforcement for violations of such requirements.

14 Section 176

15 The Government of the Federated States of Micro-
16 nesia confirms that final judgments in civil cases rendered
17 by any court of the Trust Territory of the Pacific Islands
18 shall continue in full force and effect, subject to the con-
19 stitutional power of the courts of the Federated States of
20 Micronesia to grant relief from judgments in appropriate
21 cases.

22 Section 177

23 Section 177 of the Compact entered into force with
24 respect to the Federated States of Micronesia on Novem-
25 ber 3, 1986 as follows:

1 “(a) The Government of the United States ac-
2 cepts the responsibility for compensation owing to
3 citizens of the Marshall Islands, or the Federated
4 States of Micronesia, or ~~(Palau)~~ *Palau* for loss or
5 damage to property and person of the citizens of the
6 Marshall Islands, or the Federated States of Micro-
7 nesia, resulting from the nuclear testing program
8 which the Government of the United States con-
9 ducted in the Northern Marshall Islands between
10 June 30, 1946, and August 18, 1958.

11 “(b) The Government of the United States and
12 the Government of the Marshall Islands shall set
13 forth in a separate agreement provisions for the just
14 and adequate settlement of all such claims which
15 have arisen in regard to the Marshall Islands and its
16 citizens and which have not as yet been compensated
17 or which in the future may arise, for the continued
18 administration by the Government of the United
19 States of direct radiation related medical surveil-
20 lance and treatment programs and radiological mon-
21 itoring activities and for such additional programs
22 and activities as may be mutually agreed, and for
23 the assumption by the Government of the Marshall
24 Islands of responsibility for enforcement of limita-
25 tions on the utilization of affected areas developed

1 in cooperation with the Government of the United
2 States and for the assistance by the Government of
3 the United States in the exercise of such responsi-
4 bility as may be mutually agreed. This separate
5 agreement shall come into effect simultaneously with
6 this Compact and shall remain in effect in accord-
7 ance with its own terms.

8 “(c) The Government of the United States shall
9 provide to the Government of the Marshall Islands,
10 on a grant basis, the amount of \$150 million to be
11 paid and distributed in accordance with the separate
12 agreement referred to in this Section, and shall pro-
13 vide the services and programs set forth in this sep-
14 arate agreement, the language of which is incor-
15 porated into this Compact.”

16 The Compact, as amended, makes no changes to, and
17 has no effect upon, Section 177 of the Compact, nor does
18 the Compact, as amended, change or affect the separate
19 agreement referred to in Section 177 of the Compact in-
20 cluding Articles IX and X of that separate agreement, and
21 measures taken by the parties thereunder.

22 Section 178

23 (a) The Federal agencies of the Government of the
24 United States that provide the services and related pro-
25 grams in the Federated States of Micronesia pursuant to

1 Title Two are authorized to settle and pay tort claims arising in the Federated States of Micronesia from the activities of such agencies or from the acts or omissions of the employees of such agencies. Except as provided in section 178(b), the provisions of 28 U.S.C. 2672 and 31 U.S.C. 1304 shall apply exclusively to such administrative settlements and payments.

8 (b) Claims under section 178(a) that cannot be settled under section 178(a) shall be disposed of exclusively in accordance with Article II of Title Four. Arbitration awards rendered pursuant to this subsection shall be paid out of funds under 31 U.S.C. 1304.

13 (c) The Government of the United States and the Government of the Federated States of Micronesia shall, in the separate agreement referred to in section 231, provide for:

17 (1) the administrative settlement of claims referred to in section 178(a), including designation of local agents in each State of the Federated States of Micronesia; such agents to be empowered to accept, investigate and settle such claims, in a timely manner, as provided in such separate agreements; and

24 (2) arbitration, referred to in section 178(b), in a timely manner, at a site convenient to the claim-

1 ant, in the event a claim is not otherwise settled
2 pursuant to section 178(a).

3 (d) The provisions of section 174(d) shall not apply
4 to claims covered by this section.

5 (e) Except as otherwise explicitly provided by law of
6 the United States, neither the Government of the United
7 States, its instrumentalities, nor any person acting on be-
8 half of the Government of the United States, shall be
9 named a party in any action based on, or arising out of,
10 the activity or activities of a recipient of any grant or other
11 assistance provided by the Government of the United
12 States (or the activity or activities of the recipient's agen-
13 cy or any other person or entity acting on behalf of the
14 recipient).

15 Section 179

16 (a) The courts of the Federated States of Micronesia
17 shall not exercise criminal jurisdiction over the Govern-
18 ment of the United States, or its instrumentalities.

19 (b) The courts of the Federated States of Micronesia
20 shall not exercise criminal jurisdiction over any person if
21 the Government of the United States provides notification
22 to the Government of the Federated States of Micronesia
23 that such person was acting on behalf of the Government
24 of the United States, for actions taken in furtherance of
25 section 221 or 224 of this amended Compact, or any other

1 provision of law authorizing financial, program, or service
2 assistance to the Federated States of Micronesia.

3 TITLE TWO

4 ECONOMIC RELATIONS

5 Article I

6 Grant Assistance

7 Section 211 - Sector Grants

8 (a) In order to assist the Government of the Fed-
9 erated States of Micronesia in its efforts to promote the
10 economic advancement, budgetary self-reliance, and eco-
11 nomic self-sufficiency of its people, and in recognition of
12 the special relationship that exists between the Federated
13 States of Micronesia and the United States, the Govern-
14 ment of the United States shall provide assistance on a
15 sector grant basis for a period of twenty years in the
16 amounts set forth in section 216, commencing on the ef-
17 fective date of this Compact, as amended. Such grants
18 shall be used for assistance in the sectors of education,
19 health care, private sector development, the environment,
20 public sector capacity building, and public infrastructure,
21 or for other sectors as mutually agreed, with priorities in
22 the education and health care sectors. For each year such
23 sector grant assistance is made available, the proposed di-
24 vision of this amount among these sectors shall be certified
25 to the Government of the United States by the Govern-

1 ment of the Federated States of Micronesia and shall be
 2 subject to the concurrence of the Government of the
 3 United States. In such case, the Government of the United
 4 States shall disburse the agreed upon amounts and mon-
 5 itor the use of such sector grants in accordance with the
 6 provisions of this Article and the Agreement Concerning
 7 Procedures for the Implementation of United States Eco-
 8 nomic Assistance Provided in the Compact, as Amended,
 9 of Free Association Between the Government of the
 10 United States of America and the Government of the Fed-
 11 erated States of Micronesia (“Fiscal Procedures Agree-
 12 ment”) which shall come into effect simultaneously with
 13 this Compact, as amended. The provision of any United
 14 States assistance under the Compact, as amended, the
 15 Fiscal Procedures Agreement, the Trust Fund Agreement,
 16 or any other subsidiary agreement to the Compact, as
 17 amended, shall constitute “a particular distribution . . .
 18 required by the terms or special nature of the assistance”
 19 for purposes of Article XII, section 1(b) of the Constitu-
 20 tion of the Federated States of Micronesia.

21 (1) EDUCATION.—United States grant assist-
 22 ance shall be made available in accordance with the
 23 plan described in subsection (c) of this section to
 24 support and improve the educational system of the
 25 Federated States of Micronesia and develop the

1 human, financial, and material resources necessary
2 for the Government of the Federated States of Mi-
3 cronesia to perform these services. Emphasis should
4 be placed on advancing a quality basic education
5 system.

6 (2) HEALTH.—United States grant assistance
7 shall be made available in accordance with the plan
8 described in subsection (c) of this section to support
9 and improve the delivery of preventive, curative and
10 environmental care and develop the human, finan-
11 cial, and material resources necessary for the Gov-
12 ernment of the Federated States of Micronesia to
13 perform these services.

14 (3) PRIVATE SECTOR DEVELOPMENT.—United
15 States grant assistance shall be made available in
16 accordance with the plan described in subsection (c)
17 of this section to support the efforts of the Govern-
18 ment of the Federated States of Micronesia to at-
19 tract foreign investment and increase indigenous
20 business activity by vitalizing the commercial envi-
21 ronment, ensuring fair and equitable application of
22 the law, promoting adherence to core labor stand-
23 ards, and maintaining progress toward privatization
24 of state-owned and partially state-owned enterprises,
25 and engaging in other reforms.

1 (4) CAPACITY BUILDING IN THE PUBLIC SEC-
2 TOR.—United States grant assistance shall be made
3 available in accordance with the plan described in
4 subsection (c) of this section to support the efforts
5 of the Government of the Federated States of Micro-
6 nesia to build effective, accountable and transparent
7 national, state, and local government and other pub-
8 lic sector institutions and systems.

9 (5) ENVIRONMENT.—United States grant as-
10 sistance shall be made available in accordance with
11 the plan described in subsection (c) of this section
12 to increase environmental protection; conserve and
13 achieve sustainable use of natural resources; and en-
14 gage in environmental infrastructure planning, de-
15 sign construction and operation.

16 (6) PUBLIC INFRASTRUCTURE.—

17 (i) U.S. annual grant assistance shall be
18 made available in accordance with a list of spe-
19 cific projects included in the plan described in
20 subsection (c) of this section to assist the Gov-
21 ernment of the Federated States of Micronesia
22 in its efforts to provide adequate public infra-
23 structure.

24 (ii) INFRASTRUCTURE AND MAINTENANCE
25 FUND.—Five percent of the annual public in-

1 frastructure grant made available under para-
2 graph (i) of this subsection shall be set aside,
3 with an equal contribution from the Govern-
4 ment of the Federated States of Micronesia, as
5 a contribution to an Infrastructure Maintenance
6 Fund (IMF). Administration of the Infrastruc-
7 ture Maintenance Fund shall be governed by
8 the Fiscal Procedures Agreement.

9 (b) HUMANITARIAN ASSISTANCE.—Federated States
10 of Micronesia Program. In recognition of the special devel-
11 opment needs of the Federated States of Micronesia, the
12 Government of the United States shall make available to
13 the Government of the Federated States of Micronesia, on
14 its request and to be deducted from the grant amount
15 made available under subsection (a) of this section, a Hu-
16 manitarian Assistance - Federated States of Micronesia
17 (“HAFSM”) Program with emphasis on health, edu-
18 cation, and infrastructure (including transportation),
19 projects. The terms and conditions of the HAFSM shall
20 be set forth in the Agreement Regarding the Military Use
21 and Operating Rights of the Government of the United
22 States in the Government of the Federated States of Mi-
23 cronesia Concluded Pursuant to Sections 321 and 323 of
24 the Compact of Free Association, as Amended which shall

1 come into effect simultaneously with the amendments to
2 this Compact.

3 (c) DEVELOPMENT PLAN.—The Government of the
4 Federated States of Micronesia shall prepare and main-
5 tain an official overall development plan. The plan shall
6 be strategic in nature, shall be continuously reviewed and
7 updated through the annual budget process, and shall
8 make projections on a multi-year rolling basis. Each of
9 the sectors named in subsection (a) of this section, or
10 other sectors as mutually agreed, shall be accorded specific
11 treatment in the plan. Insofar as grants funds are in-
12 volved, the plan shall be subject to the concurrence of the
13 Government of the United States.

14 (d) DISASTER ASSISTANCE EMERGENCY FUND.—An
15 amount of two hundred thousand dollars (\$200,000) shall
16 be provided annually, with an equal contribution from the
17 Government of the Federated States of Micronesia, as a
18 contribution to a “Disaster Assistance Emergency Fund
19 (DAEF).” Any funds from the DAEF may be used only
20 for assistance and rehabilitation resulting from disasters
21 and emergencies. The funds will be accessed upon declara-
22 tion by the Government of the Federated States of Micro-
23 nesia, with the concurrence of the United States Chief of
24 Mission to the Federated States of Micronesia. The Ad-

1 ministration of the DAEF shall be governed by the Fiscal
2 Procedures Agreement.

3 Section 212 - Accountability.

4 (a) Regulations and policies normally applicable to
5 United States financial assistance to its state and local
6 governments, as reflected in the Fiscal Procedures Agree-
7 ment, shall apply to each sector grant described in section
8 211, and to grants administered under section 221 below,
9 except as modified in the separate agreements referred to
10 in section 231 of this Compact, as amended, or by United
11 States law. The Government of the United States, after
12 annual consultations with the Federated States of Micro-
13 nesia, may attach reasonable terms and conditions, includ-
14 ing annual performance indicators that are necessary to
15 ensure effective use of United States assistance and rea-
16 sonable progress toward achieving program objectives. The
17 Government of the United States may seek appropriate
18 remedies for noncompliance with the terms and conditions
19 attached to the assistance, or for failure to comply with
20 section 234, including withholding assistance.

21 (b) The Government of the United States shall, for
22 each fiscal year of the twenty years during which assist-
23 ance is to be provided on a sector grant basis under sec-
24 tion 211, grant the Government of the Federated States
25 of Micronesia an amount equal to the lesser of (i) one half

1 of the reasonable, properly documented cost incurred dur-
2 ing each fiscal year to conduct the annual audit required
3 under Article VIII (2) of the Fiscal Procedures Agreement
4 or (ii) \$500,000. Such amount will not be adjusted for
5 inflation under section 217 or otherwise.

6 Section 213 - Joint Economic Management Committee

7 The Governments of the United States and the Fed-
8 erated States of Micronesia shall establish a Joint Eco-
9 nomic Management Committee, composed of a U.S. chair,
10 two other members from the Government of the United
11 States and two members from the Government of the Fed-
12 erated States of Micronesia. The Joint Economic Manage-
13 ment Committee shall meet at least once each year to re-
14 view the audits and reports required under this Title,
15 evaluate the progress made by the Federated States of Mi-
16 cronesia in meeting the objectives identified in its plan de-
17 scribed in subsection (c) of section 211, with particular
18 focus on those parts of the plan dealing with the sectors
19 identified in ~~section~~ subsection (a) of section 211, identify
20 problems encountered, and recommend ways to increase
21 the effectiveness of U.S. assistance made available under
22 this Title. The establishment and operations of the Joint
23 Economic Management Committee shall be governed by
24 the Fiscal Procedures Agreement.

25 Section 214 - Annual Report

1 The Government of the Federated States of Micro-
2 nesia shall report annually to the President of the United
3 States on the use of United States sector grant assistance
4 and other assistance and progress in meeting mutually
5 agreed program and economic goals. The Joint Economic
6 Management Committee shall review and comment on the
7 report and make appropriate recommendations based
8 thereon.

9 Section 215 - Trust Fund

10 (a) The United States shall contribute annually for
11 twenty years from the effective date of this Compact, as
12 amended, in the amounts set forth in section 216 into a
13 Trust Fund established in accordance with the Agreement
14 Between the Government of the United States of America
15 and the Government of the Federated States of Micronesia
16 Implementing Section 215 and Section 216 of the Com-
17 pact, as Amended, Regarding a Trust Fund (“Trust Fund
18 Agreement”). Upon termination of the annual financial
19 assistance under section 211, the proceeds of the fund
20 shall thereafter be used for the purposes described in sec-
21 tion 211 or as otherwise mutually agreed.

22 (b) The United States contribution into the Trust
23 Fund described in subsection(a) of this section is condi-
24 tioned on the Government of the Federated States of Mi-
25 cronesia contributing to the Trust Fund at least \$30 mil-

1 lion, prior to September 30, 2004. Any funds received by
2 the Federated States of Micronesia under section 111 (d)
3 of Public Law 99–239 (January 14, 1986), or successor
4 provisions, would be contributed to the Trust Fund as a
5 Federated States of Micronesia contribution.

6 (c) The terms regarding the investment and manage-
7 ment of funds and use of the income of the Trust Fund
8 shall be set forth in the separate Trust Fund Agreement
9 described in subsection (a) of this section. Funds derived
10 from United States investment shall not be subject to Fed-
11 eral or state taxes in the United States or the Federated
12 States of Micronesia. The Trust Fund Agreement shall
13 also provide for annual reports to the Government of the
14 United States and to the Government of the Federated
15 States of Micronesia. The Trust Fund Agreement shall
16 provide for appropriate distributions of trust fund pro-
17 ceeds to the Federated States of Micronesia and for appro-
18 priate remedies for the failure of the Federated States of
19 Micronesia to use income of the Trust Fund for the an-
20 nual grant purposes set forth in section 211. These rem-
21 edies may include the return to the United States of the
22 present market value of its contributions to the Trust
23 Fund and the present market value of any undistributed
24 income on the contributions of the United States. If this
25 Compact, as amended, is terminated, the provisions of sec-

tions 451 through 453 of this Compact, as amended, shall govern treatment of any U.S. contributions to the Trust Fund or accrued interest thereon.

Section 216 - Sector Grant Funding and Trust Fund Contributions

The funds described in sections 211, 212(b) and 215 shall be made available as follows:

[In millions of dollars]

Fiscal year	Annual Grants Section 211	Audit Grant Section 212(b) (amount up to)	Trust Fund Section 215	Total
2004	76.2	.5	16	92.7
2005	76.2	.5	16	92.7
2006	76.2	.5	16	92.7
2007	75.4	.5	16.8	92.7
2008	74.6	.5	17.6	92.7
2009	73.8	.5	18.4	92.7
2010	73	.5	19.2	92.7
2011	72.2	.5	20	92.7
2012	71.4	.5	20.8	92.7
2013	70.6	.5	21.6	92.7
2014	69.8	.5	22.4	92.7
2015	69	.5	23.2	92.7
2016	68.2	.5	24	92.7
2017	67.4	.5	24.8	92.7
2018	66.6	.5	25.6	92.7
2019	65.8	.5	26.4	92.7
2020	65	.5	27.2	92.7
2021	64.2	.5	28	92.7
2022	63.4	.5	28.8	92.7
2023	62.6	.5	29.6	92.7

Section 217 - Inflation Adjustment

Except for the amounts provided for audits under section 212(b), the amounts stated in this Title shall be adjusted for each United States Fiscal Year by the percent that equals two-thirds of the percent change in the United States Gross Domestic Product Implicit Price Deflator, or 5 percent, whichever is less in any one year, using the beginning of Fiscal Year 2004 as a base.

Section 218 - Carry-Over of Unused Funds

Services and Program Assistance

(a) SERVICES.—The Government of the United States shall make available to the Federated States of Micronesia, in accordance with and to the extent provided in the Federal Programs and Services Agreement referred to in section 231, the services and related programs of:

16 (2) the United States Postal Service;

17 (3) the United States Federal Aviation Admin-
18 istration;

19 (4) the United States Department of Transpor-
20 tation;

(5) the Federal Deposit Insurance Corporation
(for the benefit only of the Bank of the Federated
States of Micronesia), and

(6) the Federal Emergency Management Agency, Department of Homeland Security, and the

1 United States Agency for International Develop-
2 ment, Office of Foreign Disaster Assistance.

3 Upon the effective date of this Compact, as amended, the
4 United States Departments and Agencies named or having
5 responsibility to provide these services and related pro-
6 grams shall have the authority to implement the relevant
7 provisions of the Federal Programs and Services Agree-
8 ment referred to in section 231.

9 (b) PROGRAMS.—

10 (1) With the exception of the services and pro-
11 grams covered by subsection (a) of this section, and
12 unless the Congress of the United States provides
13 otherwise, the Government of the United States
14 shall make available to the Federated States of Mi-
15 cronesia the services and programs that were avail-
16 able to the Federated States of Micronesia on the ef-
17 fective date of this Compact, as amended, to the ex-
18 tent that such services and programs continue to be
19 available to State and local governments of the
20 United States. As set forth in the Fiscal Procedures
21 Agreement, funds provided under subsection (a) of
22 section 211 will be considered to be local revenues
23 of the Government of the Federated States of Micro-
24 nesia when used as the local share required to obtain
25 Federal programs and services.

1 (2) Unless provided otherwise by U.S. law, the
2 services and programs described in paragraph (1) of
3 this subsection shall be extended in accordance with
4 the terms of the Federal Programs and Services
5 Agreement referred to in section 231.

6 (c) The Government of the United States shall have
7 and exercise such authority as is necessary to carry out
8 its responsibilities under this Title and the separate agree-
9 ments referred to in amended section 231, including the
10 authority to monitor and administer all service and pro-
11 gram assistance provided by the United States to the Fed-
12 erated States of Micronesia. The Federal Programs and
13 Services Agreement referred to in amended section 231
14 shall also set forth the extent to which services and pro-
15 grams shall be provided to the Federated States of Micro-
16 nesia.

17 (d) Except as provided elsewhere in this Compact, as
18 amended, under any separate agreement entered into
19 under this Compact, as amended, or otherwise under U.S.
20 law, all Federal domestic programs extended to or oper-
21 ating in the Federated States of Micronesia shall be sub-
22 ject to all applicable criteria, standards, reporting require-
23 ments, auditing procedures, and other rules and regula-
24 tions applicable to such programs and services when oper-
25 ating in the United States.

1 (e) The Government of the United States shall make
2 available to the Federated States of Micronesia alternate
3 energy development projects, studies, and conservation
4 measures to the extent provided for the Freely Associated
5 States in the laws of the United States.

6 Section 222

7 The Government of the United States and the Gov-
8 ernment of the Federated States of Micronesia may agree
9 from time to time to extend to the Federated States of
10 Micronesia additional United States grant assistance,
11 services and programs, as provided under the laws of the
12 United States. Unless inconsistent with such laws, or oth-
13 erwise specifically precluded by the Government of the
14 United States at the time such additional grant assistance,
15 services, or programs are extended, the Federal Programs
16 and Services Agreement referred to section 231 shall apply
17 to any such assistance, services or programs.

18 Section 223

19 The Government of the Federated States of Micro-
20 nesia shall make available to the Government of the
21 United States at no cost such land as may be necessary
22 for the operations of the services and programs provided
23 pursuant to this Article, and such facilities as are provided
24 by the Government of the Federated States of Micronesia
25 at no cost to the Government of the United States as of

1 the effective date of this Compact, as amended, or as may
2 be mutually agreed thereafter.

3 Section 224

4 The Government of the Federated States of Micro-
5 nesia may request, from time to time, technical assistance
6 from the Federal agencies and institutions of the Govern-
7 ment of the United States, which are authorized to grant
8 such technical assistance in accordance with its laws. If
9 technical assistance is granted pursuant to such a request,
10 the Government of the United States shall provide the
11 technical assistance in a manner which gives priority con-
12 sideration to the Federated States of Micronesia over
13 other recipients not a part of the United States, its terri-
14 tories or possessions, and equivalent consideration to the
15 Federated States of Micronesia with respect to other
16 states in Free Association with the United States. Such
17 assistance shall be made available on a reimbursable or
18 non-reimbursable basis to the extent provided by United
19 States law.

20 Article III

21 Administrative Provisions

22 Section 231

23 The specific nature, extent and contractual arrange-
24 ments of the services and programs provided for in section
25 221 of this Compact, as amended, as well as the legal sta-

1 tus of agencies of the Government of the United States,
2 their civilian employees and contractors, and the depend-
3 ents of such personnel while present in the Federated
4 States of Micronesia, and other arrangements in connec-
5 tion with the assistance, services, or programs furnished
6 by the Government of the United States, are set forth in
7 a Federal Programs and Services Agreement which shall
8 come into effect simultaneously with this Compact, as
9 amended.

10 Section 232

11 The Government of the United States, in consultation
12 with the Government of the Federated States of Micro-
13 nesia, shall determine and implement procedures for the
14 periodic audit of all grants and other assistance made
15 under Article I of this Title and of all funds expended for
16 the services and programs provided under Article II of this
17 Title. Further, in accordance with the Fiscal Procedures
18 Agreement described in subsection (a) of section 211, the
19 Comptroller General of the United States shall have such
20 powers and authorities as described in sections 102 (c)
21 and 110 (c) of Public Law 99-239, 99 Stat. 1777-78,
22 and 99 Stat. 1799 (January 14, 1986).

23 Section 233

24 Approval of this Compact, as amended, by the Gov-
25 ernment of the United States, in accordance with its con-

stitutional processes, shall constitute a pledge by the United States that the sums and amounts specified as sector grants in section 211 of this Compact, as amended, shall be appropriated and paid to the Federated States of Micronesia for such period as those provisions of this Compact, as amended, remain in force, subject to the terms and conditions of this Title and related subsidiary agreements.

Section 234

The Government of the Federated States of Micronesia pledges to cooperate with, permit, and assist if reasonably requested, designated and authorized representatives of the Government of the United States charged with investigating whether Compact funds, or any other assistance authorized under this Compact, as amended, have, or are being, used for purposes other than those set forth in this Compact, as amended, or its subsidiary agreements. In carrying out this investigative authority, such United States Government representatives may request that the Government of the Federated States of Micronesia subpoena documents and records and compel testimony in accordance with the laws and Constitution of the Federated States of Micronesia. Such assistance by the Government of the Federated States of Micronesia to the Government of the United States shall not be unreason-

1 ably withheld. The obligation of the Government of the
2 Federated States of Micronesia to fulfill its pledge herein
3 is a condition to its receiving payment of such funds or
4 other assistance authorized under this Compact, as
5 amended. The Government of the United States shall pay
6 any reasonable costs for extraordinary services executed
7 by the Government of the Federated States of Micronesia
8 in carrying out the provisions of this section.

9 Article IV

10 Trade

11 Section 241

12 The Federated States of Micronesia is not included
13 in the customs territory of the United States.

14 Section 242

15 The President shall proclaim the following tariff
16 treatment for articles imported from the Federated States
17 of Micronesia which shall apply during the period of effec-
18 tiveness of this title:

19 (a) Unless otherwise excluded, articles imported
20 from the Federated States of Micronesia, subject to
21 the limitations imposed under section 503(b) of title
22 V of the Trade Act of 1974 (19 U.S.C. 2463(b)),
23 shall be exempt from duty.

24 (b) Only tuna in airtight containers provided
25 for in heading 1604.14.22 of the Harmonized Tariff

1 Schedule of the United States that is imported from
2 the Federated States of Micronesia and the Republic
3 of the Marshall Islands during any calendar year not
4 to exceed 10 percent of apparent United States con-
5 sumption of tuna in airtight containers during the
6 immediately preceding calendar year, as reported by
7 the National Marine Fisheries Service, shall be ex-
8 empt from duty; but the quantity of tuna given
9 duty-free treatment under this paragraph for any
10 calendar year shall be counted against the aggre-
11 gated quantity of tuna in airtight containers that is
12 dutiable under rate column numbered 1 of such
13 heading 1604.14.22 for that calendar year.

14 (c) The duty-free treatment provided under
15 subsection (a) shall not apply to—

16 (1) watches, clocks, and timing apparatus
17 provided for in Chapter 91, excluding heading
18 9113, of the Harmonized Tariff Schedule of the
19 United States;

20 (2) buttons (whether finished or not fin-
21 ished) provided for in items 9606.21.40 and
22 9606.29.20 of such Schedule;

23 (3) textile and apparel articles which are
24 subject to textile agreements; and

1 (4) footwear, handbags, luggage, flat
2 goods, work gloves, and leather wearing apparel
3 which were not eligible articles for purposes of
4 title V of the Trade Act of 1974 (19 U.S.C.
5 2461, et seq.) on April 1, 1984.

6 (d) If the cost or value of materials produced
7 in the customs territory of the United States is in-
8 cluded with respect to an eligible article which is a
9 product of the Federated States of Micronesia, an
10 amount not to exceed 15 percent of the appraised
11 value of the article at the time it is entered that is
12 attributable to such United States cost or value may
13 be applied for duty assessment purposes toward de-
14 termining the percentage referred to in section
15 503(a)(2) of title V of the Trade Act of 1974.

16 Section 243

17 Articles imported from the Federated States of Mi-
18 cronesia which are not exempt from duty under sub-
19 sections (a), (b), (c), and (d) of section 242 shall be sub-
20 ject to the rates of duty set forth in column numbered
21 1-general of the Harmonized Tariff Schedule of the
22 United States (HTSUS).

23 Section 244

24 (a) All products of the United States imported into
25 the Federated States of Micronesia shall receive treatment

1 no less favorable than that accorded like products of any
2 foreign country with respect to customs duties or charges
3 of a similar nature and with respect to laws and regula-
4 tions relating to importation, exportation, taxation, sale,
5 distribution, storage or use.

6 (b) The provisions of subsection (a) shall not apply
7 to advantages accorded by the Federated States of Micro-
8 nesia by virtue of their full membership in the Pacific Is-
9 land Countries Trade Agreement (PICTA), done on Au-
10 gust 18, 2001, to those governments listed in Article 26
11 of PICTA, as of the date the Compact, as amended, is
12 signed.

13 (c) Prior to entering into consultations on, or con-
14 cluding, a free trade agreement with governments not list-
15 ed in Article 26 of PICTA, the Federated States of Micro-
16 nesia shall consult with the United States regarding
17 whether or how subsection (a) of section 244 shall be ap-
18 plied.

19 Article V

20 Finance and Taxation

21 Section 251

22 The currency of the United States is the official cir-
23 culating legal tender of the Federated States of Micro-
24 nesia. Should the Government of the Federated States of
25 Micronesia act to institute another currency, the terms of

1 an appropriate currency transitional period shall be as
2 agreed with the Government of the United States.

3 Section 252

4 The Government of the Federated States of Micro-
5 nesia may, with respect to United States persons, tax in-
6 come derived from sources within its respective jurisdic-
7 tion, property situated therein, including transfers of such
8 property by gift or at death, and products consumed there-
9 in, in such manner as the Government of the Federated
10 States of Micronesia deems appropriate. The determina-
11 tion of the source of any income, or the situs of any prop-
12 erty, shall for purposes of this Compact be made according
13 to the United States Internal Revenue Code.

14 Section 253

15 A citizen of the Federated States of Micronesia, dom-
16 icated therein, shall be exempt from estate, gift, and gen-
17 eration-skipping transfer taxes imposed by the Govern-
18 ment of the United States, provided that such citizen of
19 the Federated States of Micronesia is neither a citizen nor
20 a resident of the United States.

21 Section 254

22 (a) In determining any income tax imposed by the
23 Government of the Federated States of Micronesia, the
24 Government of the Federated States of Micronesia shall
25 have authority to impose tax upon income derived by a

1 resident of the Federated States of Micronesia from
2 sources without the Federated States of Micronesia, in the
3 same manner and to the same extent as the Government
4 of the Federated States of Micronesia imposes tax upon
5 income derived from within its own jurisdiction. If the
6 Government of the Federated States of Micronesia exer-
7 cises such authority as provided in this subsection, any
8 individual resident of the Federated States of Micronesia
9 who is subject to tax by the Government of the United
10 States on income which is also taxed by the Government
11 of the Federated States of Micronesia shall be relieved of
12 liability to the Government of the United States for the
13 tax which, but for this subsection, would otherwise be im-
14 posed by the Government of the United States on such
15 income. However, the relief from liability to the United
16 States Government referred to in the preceding sentence
17 means only relief in the form of the foreign tax credit (or
18 deduction in lieu thereof) available with respect to the in-
19 come taxes of a possession of the United States, and relief
20 in the form of the exclusion under section 911 of the Inter-
21 nal Revenue Code of 1986. For purposes of this section,
22 the term “resident of the Federated States of Micronesia”
23 shall be deemed to include any person who was physically
24 present in the Federated States of Micronesia for a period
25 of 183 or more days during any taxable year.

1 (b) If the Government of the Federated States of Mi-
2 cronesia subjects income to taxation substantially similar
3 to that imposed by the Trust Territory Code in effect on
4 January 1, 1980, such Government shall be deemed to
5 have exercised the authority described in section 254(a).
6 Section 255

7 For purposes of section 274(h)(3)(A) of the United
8 States Internal Revenue Code of 1986, the term “North
9 American Area” shall include the Federated States of Mi-
10 cronesia.

11 TITLE THREE

12 SECURITY AND DEFENSE RELATIONS

13 Article I

14 Authority and Responsibility

15 Section 311

16 (a) The Government of the United States has full au-
17 thority and responsibility for security and defense matters
18 in or relating to the Federated States of Micronesia.

19 (b) This authority and responsibility includes:

20 (1) the obligation to defend the Federated
21 States of Micronesia and its people from attack or
22 threats thereof as the United States and its citizens
23 are defended;

24 (2) the option to foreclose access to or use of
25 the Federated States of Micronesia by military per-

1 sonnel or for the military purposes of any third
2 country; and

3 (3) the option to establish and use military
4 areas and facilities in the Federated States of Micro-
5 nesia, subject to the terms of the separate agree-
6 ments referred to in sections 321 and 323.

7 (c) The Government of the United States confirms
8 that it shall act in accordance with the principles of inter-
9 national law and the Charter of the United Nations in the
10 exercise of this authority and responsibility.

11 Section 312

12 Subject to the terms of any agreements negotiated
13 in accordance with sections 321 and 323, the Government
14 of the United States may conduct within the lands, waters
15 and airspace of the Federated States of Micronesia the
16 activities and operations necessary for the exercise of its
17 authority and responsibility under this Title.

18 Section 313

19 (a) The Government of the Federated States of Mi-
20 cronnesia shall refrain from actions that the Government
21 of the United States determines, after appropriate con-
22 sultation with that Government, to be incompatible with
23 its authority and responsibility for security and defense
24 matters in or relating to the Federated States of Micro-
25 nesia.

1 (b) The consultations referred to in this section shall
2 be conducted expeditiously at senior levels of the two Gov-
3 ernments, and the subsequent determination by the Gov-
4 ernment of the United States referred to in this section
5 shall be made only at senior interagency levels of the Gov-
6 ernment of the United States.

7 (c) The Government of the Federated States of Mi-
8 cronesia shall be afforded, on an expeditious basis, an op-
9 portunity to raise its concerns with the United States Sec-
10 retary of State personally and the United States Secretary
11 of Defense personally regarding any determination made
12 in accordance with this section.

13 Section 314

14 (a) Unless otherwise agreed, the Government of the
15 United States shall not, in the Federated States of Micro-
16 nesia:

17 (1) test by detonation or dispose of any nuclear
18 weapon, nor test, dispose of, or discharge any toxic
19 chemical or biological weapon; or

20 (2) test, dispose of, or discharge any other ra-
21 dioactive, toxic chemical or biological materials in an
22 amount or manner which would be hazardous to
23 public health or safety.

24 (b) Unless otherwise agreed, other than for transit
25 or overflight purposes or during time of a national emer-

1 gency declared by the President of the United States, a
2 state of war declared by the Congress of the United States
3 or as necessary to defend against an actual or impending
4 armed attack on the United States, the Federated States
5 of Micronesia or the Republic of the Marshall Islands, the
6 Government of the United States shall not store in the
7 Federated States of Micronesia or the Republic of the
8 Marshall Islands any toxic chemical weapon, nor any ra-
9 dioactive materials nor any toxic chemical materials in-
10 tended for weapons use.

11 (c) Radioactive, toxic chemical, or biological materials
12 not intended for weapons use shall not be affected by sec-
13 tion 314(b).

14 (d) No material or substance referred to in this sec-
15 tion shall be stored in the Federated States of Micronesia
16 except in an amount and manner which would not be haz-
17 ardous to public health or safety. In determining what
18 shall be an amount or manner which would be hazardous
19 to public health or safety under this section, the Govern-
20 ment of the United States shall comply with any applicable
21 mutual agreement, international guidelines accepted by
22 the Government of the United States, and the laws of the
23 United States and their implementing regulations.

24 (e) Any exercise of the exemption authority set forth
25 in section 161(e) shall have no effect on the obligations

1 of the Government of the United States under this section
2 or on the application of this subsection.

3 (f) The provisions of this section shall apply in the
4 areas in which the Government of the Federated States
5 of Micronesia exercises jurisdiction over the living re-
6 sources of the seabed, subsoil or water column adjacent
7 to its coasts.

8 Section 315

9 The Government of the United States may invite
10 members of the armed forces of other countries to use
11 military areas and facilities in the Federated States of Mi-
12 cronesia, in conjunction with and under the control of
13 United States Armed Forces. Use by units of the armed
14 forces of other countries of such military areas and facili-
15 ties, other than for transit and overflight purposes, shall
16 be subject to consultation with and, in the case of major
17 units, approval of the Government of the Federated States
18 of Micronesia.

19 Section 316

20 The authority and responsibility of the Government
21 of the United States under this Title may not be trans-
22 ferred or otherwise assigned.

23 Article II

24 Defense Facilities and Operating Rights

25 Section 321

1 (a) Specific arrangements for the establishment and
2 use by the Government of the United States of military
3 areas and facilities in the Federated States of Micronesia
4 are set forth in separate agreements, which shall remain
5 in effect in accordance with the terms of such agreements.

6 (b) If, in the exercise of its authority and responsi-
7 bility under this Title, the Government of the United
8 States requires the use of areas within the Federated
9 States of Micronesia in addition to those for which specific
10 arrangements are concluded pursuant to section 321(a),
11 it may request the Government of the Federated States
12 of Micronesia to satisfy those requirements through leases
13 or other arrangements. The Government of the Federated
14 States of Micronesia shall sympathetically consider any
15 such request and shall establish suitable procedures to dis-
16 cuss it with and provide a prompt response to the Govern-
17 ment of the United States.

18 (c) The Government of the United States recognizes
19 and respects the scarcity and special importance of land
20 in the Federated States of Micronesia. In making any re-
21 quests pursuant to section 321(b), the Government of the
22 United States shall follow the policy of requesting the min-
23 imum area necessary to accomplish the required security
24 and defense purpose, of requesting only the minimum in-
25 terest in real property necessary to support such purpose,

1 and of requesting first to satisfy its requirement through
2 public real property, where available, rather than through
3 private real property.

4 Section 322

5 The Government of the United States shall provide
6 and maintain fixed and floating aids to navigation in the
7 Federated States of Micronesia at least to the extent nec-
8 essary for the exercise of its authority and responsibility
9 under this Title.

10 Section 323

11 The military operating rights of the Government of
12 the United States and the legal status and contractual ar-
13 rangements of the United States Armed Forces, their
14 members, and associated civilians, while present in the
15 Federated States of Micronesia are set forth in separate
16 agreements, which shall remain in effect in accordance
17 with the terms of such agreements.

18 Article III

19 Defense Treaties and International Security Agreements

20 Section 331

21 Subject to the terms of this Compact, as amended,
22 and its related agreements, the Government of the United
23 States, exclusively, has assumed and enjoys, as to the Fed-
24 erated States of Micronesia, all obligations, responsibil-
25 ities, rights and benefits of:

1 (a) Any defense treaty or other international security
2 agreement applied by the Government of the United
3 States as Administering Authority of the Trust Territory
4 of the Pacific Islands as of November 2, 1986.

5 (b) Any defense treaty or other international security
6 agreement to which the Government of the United States
7 is or may become a party which it determines to be appli-
8 cable in the Federated States of Micronesia. Such a deter-
9 mination by the Government of the United States shall
10 be preceded by appropriate consultation with the Govern-
11 ment of the Federated States of Micronesia.

12 Article IV

13 Service in Armed Forces of the United States
14 Section 341

15 Any person entitled to the privileges set forth in Sec-
16 tion 141 (with the exception of any person described in
17 section 141(a)(5) who is not a citizen of the Federated
18 States of Micronesia) shall be eligible to volunteer for serv-
19 ice in the Armed Forces of the United States, but shall
20 not be subject to involuntary induction into military serv-
21 ice of the United States as long as such person has resided
22 in the United States for a period of less than one year,
23 provided that no time shall count towards this one year
24 while a person admitted to the United States under the
25 Compact, or the Compact, as amended, is engaged in full-

1 time study in the United States. Any person described in
2 section 141(a)(5) who is not a citizen of the Federated
3 States of Micronesia shall be subject to United States laws
4 relating to selective service.

5 Section 342

6 The Government of the United States shall have en-
7 rolled, at any one time, at least one qualified student from
8 the Federated States of Micronesia, as may be nominated
9 by the Government of the Federated States of Micronesia,
10 in each of:

11 (a) The United States Coast Guard Academy pursu-
12 ant to 14 U.S.C. 195.

13 (b) The United States Merchant Marine Academy
14 pursuant to 46 U.S.C. 1295(b)(6), provided that the pro-
15 visions of 46 U.S.C. 1295b(b)(6)(C) shall not apply to the
16 enrollment of students pursuant to section 342(b) of this
17 Compact, as amended.

18 Article V

19 General Provisions

20 Section 351

21 (a) The Government of the United States and the
22 Government of the Federated States of Micronesia shall
23 continue to maintain a Joint Committee empowered to
24 consider disputes arising under the implementation of this
25 Title and its related agreements.

1 (b) The membership of the Joint Committee shall
2 comprise selected senior officials of the two Governments.
3 The senior United States military commander in the Pa-
4 cific area shall be the senior United States member of the
5 Joint Committee. For the meetings of the Joint Com-
6 mittee, each of the two Governments may designate addi-
7 tional or alternate representatives as appropriate for the
8 subject matter under consideration.

9 (c) Unless otherwise mutually agreed, the Joint Com-
10 mittee shall meet annually at a time and place to be des-
11 ignated, after appropriate consultation, by the Govern-
12 ment of the United States. The Joint Committee also shall
13 meet promptly upon request of either of its members. The
14 Joint Committee shall follow such procedures, including
15 the establishment of functional subcommittees, as the
16 members may from time to time agree. Upon notification
17 by the Government of the United States, the Joint Com-
18 mittee of the United States and the Federated States of
19 Micronesia shall meet promptly in a combined session with
20 the Joint Committee established and maintained by the
21 Government of the United States and the Republic of the
22 Marshall Islands to consider matters within the jurisdic-
23 tion of the two Joint Committees.

24 (d) Unresolved issues in the Joint Committee shall
25 be referred to the Governments for resolution, and the

1 Government of the Federated States of Micronesia shall
2 be afforded, on an expeditious basis, an opportunity to
3 raise its concerns with the United States Secretary of De-
4 fense personally regarding any unresolved issue which
5 threatens its continued association with the Government
6 of the United States.

7 Section 352

8 In the exercise of its authority and responsibility
9 under Title Three, the Government of the United States
10 shall accord due respect to the authority and responsibility
11 of the Government of the Federated States of Micronesia
12 under Titles One, Two and Four and to the responsibility
13 of the Government of the Federated States of Micronesia
14 to assure the well-being of its people.

15 Section 353

16 (a) The Government of the United States shall not
17 include the Government of the Federated States of Micro-
18 nesia as a named party to a formal declaration of war,
19 without that Government's consent.

20 (b) Absent such consent, this Compact, as amended,
21 is without prejudice, on the ground of belligerence or the
22 existence of a state of war, to any claims for damages
23 which are advanced by the citizens, nationals or Govern-
24 ment of the Federated States of Micronesia, which arise

1 out of armed conflict subsequent to November 3, 1986,
2 and which are:

3 (1) petitions to the Government of the United
4 States for redress; or

5 (2) claims in any manner against the govern-
6 ment, citizens, nationals or entities of any third
7 country.

8 (c) Petitions under section 353(b)(1) shall be treated
9 as if they were made by citizens of the United States.

10 Section 354

11 (a) The Government of the United States and the
12 Government of the Federated States of Micronesia are
13 jointly committed to continue their security and defense
14 relations, as set forth in this Title. Accordingly, it is the
15 intention of the two countries that the provisions of this
16 Title shall remain binding as long as this Compact, as
17 amended, remains in effect, and thereafter as mutually
18 agreed, unless earlier terminated by mutual agreement
19 pursuant to section 441, or amended pursuant to Article
20 III of Title Four. If at any time the Government of the
21 United States, or the Government of the Federated States
22 of Micronesia, acting unilaterally, terminates this Title,
23 such unilateral termination shall be considered to be ter-
24 mination of the entire Compact, in which case the provi-
25 sions of section 442 and 452 (in the case of termination

1 by the Government of the United States) or sections 443
2 and 453 (in the case of termination by the Government
3 of the Federated States of Micronesia), with the exception
4 of paragraph (3) of subsection (a) of section 452 or para-
5 graph (3) of subsection (a) of section 453, as the case
6 may be, shall apply.

7 (b) The Government of the United States recognizes,
8 in view of the special relationship between the Government
9 of the United States and the Government of the Federated
10 States of Micronesia, and in view of the existence of the
11 separate agreement regarding mutual security concluded
12 with the Government of the Federated States of Micro-
13 nesia pursuant to sections 321 and 323, that, even if this
14 Title should terminate, any attack on the Federated
15 States of Micronesia during the period in which such sepa-
16 rate agreement is in effect, would constitute a threat to
17 the peace and security of the entire region and a danger
18 to the United States. In the event of such an attack, the
19 Government of the United States would take action to
20 meet the danger to the United States and to the Federated
21 States of Micronesia in accordance with its constitutional
22 processes.

23 (c) As reflected in Article 21(1)(b) of the Trust Fund
24 Agreement, the Government of the United States and the
25 Government of the Federated States of Micronesia further

1 recognize, in view of the special relationship between their
2 countries, that even if this Title should terminate, the
3 Government of the Federated States of Micronesia shall
4 refrain from actions which the Government of the United
5 States determines, after appropriate consultation with
6 that Government, to be incompatible with its authority
7 and responsibility for security and defense matters in or
8 relating to the Federated States of Micronesia or the Re-
9 public of the Marshall Islands.

10 TITLE FOUR

11 GENERAL PROVISIONS

12 Article I

13 Approval and Effective Date

14 Section 411

15 Pursuant to section 432 of the Compact and subject
16 to subsection (e) of section 461 of the Compact, as amend-
17 ed, the Compact, as amended, shall come into effect upon
18 mutual agreement between the Government of the United
19 States and the Government of the Federated States of Mi-
20 cronesia subsequent to completion of the following:

21 (a) Approval by the Government of the Fed-
22 erated States of Micronesia in accordance with its
23 constitutional processes.

1 (b) Approval by the Government of the United
2 States in accordance with its constitutional proc-
3 esses.

4 Article II

5 Conference and Dispute Resolution

6 Section 421

7 The Government of the United States shall confer
8 promptly at the request of the Government of the Fed-
9 erated States of Micronesia and that Government shall
10 confer promptly at the request of the Government of the
11 United States on matters relating to the provisions of this
12 Compact, as amended, or of its related agreements.

13 Section 422

14 In the event the Government of the United States or
15 the Government of the Federated States of Micronesia,
16 after conferring pursuant to section 421, determines that
17 there is a dispute and gives written notice thereof, the two
18 Governments shall make a good faith effort to resolve the
19 dispute between themselves.

20 Section 423

21 If a dispute between the Government of the United
22 States and the Government of the Federated States of Mi-
23 cronesia cannot be resolved within 90 days of written noti-
24 fication in the manner provided in section 422, either

1 party to the dispute may refer it to arbitration in accord-
2 ance with section 424.

3 Section 424

4 Should a dispute be referred to arbitration as pro-
5 vided for in section 423, an Arbitration Board shall be
6 established for the purpose of hearing the dispute and ren-
7 dering a decision which shall be binding upon the two par-
8 ties to the dispute unless the two parties mutually agree
9 that the decision shall be advisory. Arbitration shall occur
10 according to the following terms:

11 (a) An Arbitration Board shall consist of a
12 Chairman and two other members, each of whom
13 shall be a citizen of a party to the dispute. Each of
14 the two Governments which is a party to the dispute
15 shall appoint one member to the Arbitration Board.
16 If either party to the dispute does not fulfill the ap-
17 pointment requirements of this section within 30
18 days of referral of the dispute to arbitration pursu-
19 ant to section 423, its member on the Arbitration
20 Board shall be selected from its own standing list by
21 the other party to the dispute. Each Government
22 shall maintain a standing list of 10 candidates. The
23 parties to the dispute shall jointly appoint a Chair-
24 man within 15 days after selection of the other
25 members of the Arbitration Board. Failing agree-

1 ment on a Chairman, the Chairman shall be chosen
2 by lot from the standing lists of the parties to the
3 dispute within 5 days after such failure.

4 (b) Unless otherwise provided in this Compact,
5 as amended, or its related agreements, the Arbitra-
6 tion Board shall have jurisdiction to hear and render
7 its final determination on all disputes arising exclu-
8 sively under Articles I, II, III, IV and V of Title
9 One, Title Two, Title Four, and their related agree-
10 ments.

11 (c) Each member of the Arbitration Board shall
12 have one vote. Each decision of the Arbitration
13 Board shall be reached by majority vote.

14 (d) In determining any legal issue, the Arbitra-
15 tion Board may have reference to international law
16 and, in such reference, shall apply as guidelines the
17 provisions set forth in Article 38 of the Statute of
18 the International Court of Justice.

19 (e) The Arbitration Board shall adopt such
20 rules for its proceedings as it may deem appropriate
21 and necessary, but such rules shall not contravene
22 the provisions of this Compact, as amended. Unless
23 the parties provide otherwise by mutual agreement,
24 the Arbitration Board shall endeavor to render its
25 decision within 30 days after the conclusion of argu-

1 ments. The Arbitration Board shall make findings of
2 fact and conclusions of law and its members may
3 issue dissenting or individual opinions. Except as
4 may be otherwise decided by the Arbitration Board,
5 one-half of all costs of the arbitration shall be borne
6 by the Government of the United States and the re-
7 mainder shall be borne by the Government of the
8 Federated States of Micronesia.

9 Article III

10 Amendment

11 Section 431

12 The provisions of this Compact, as amended, may be
13 further amended by mutual agreement of the Government
14 of the United States and the Government of the Federated
15 States of Micronesia, in accordance with their respective
16 constitutional processes.

17 Article IV

18 Termination

19 Section 441

20 This Compact, as amended, may be terminated by
21 mutual agreement of the Government of the Federated
22 States of Micronesia and the Government of the United
23 States, in accordance with their respective constitutional
24 processes. Such mutual termination of this Compact, as
25 amended, shall be without prejudice to the continued ap-

1 plication of section 451 of this Compact, as amended, and
2 the provisions of the Compact, as amended, set forth
3 therein.

4 Section 442

5 Subject to section 452, this Compact, as amended,
6 may be terminated by the Government of the United
7 States in accordance with its constitutional processes.
8 Such termination shall be effective on the date specified
9 in the notice of termination by the Government of the
10 United States but not earlier than six months following
11 delivery of such notice. The time specified in the notice
12 of termination may be extended. Such termination of this
13 Compact, as amended, shall be without prejudice to the
14 continued application of section 452 of this Compact, as
15 amended, and the provisions of the Compact, as amended,
16 set forth therein.

17 Section 443

18 This Compact, as amended, shall be terminated by
19 the Government of the Federated States of Micronesia,
20 pursuant to its constitutional processes, subject to section
21 453 if the people represented by that Government vote in
22 a plebiscite to terminate the Compact, as amended, or by
23 another process permitted by the FSM constitution and
24 mutually agreed between the Governments of the United
25 States and the Federated States of Micronesia. The Gov-

1 ernment of the Federated States of Micronesia shall notify
2 the Government of the United States of its intention to
3 call such a plebiscite, or to pursue another mutually
4 agreed and constitutional process, which plebiscite or proc-
5 ess shall take place not earlier than three months after
6 delivery of such notice. The plebiscite or other process
7 shall be administered by the Government of the Federated
8 States of Micronesia in accordance with its constitutional
9 and legislative processes. If a majority of the valid ballots
10 cast in the plebiscite or other process favors termination,
11 the Government of the Federated States of Micronesia
12 shall, upon certification of the results of the plebiscite or
13 other process, give notice of termination to the Govern-
14 ment of the United States, such termination to be effective
15 on the date specified in such notice but not earlier than
16 three months following the date of delivery of such notice.
17 The time specified in the notice of termination may be
18 extended.

19 Article V

20 Survivability

21 Section 451

22 (a) Should termination occur pursuant to section
23 441, economic and other assistance by the Government of
24 the United States shall continue only if and as mutually
25 agreed by the Governments of the United States and the

1 Federated States of Micronesia, and in accordance with
2 the parties' respective constitutional processes.

3 (b) In view of the special relationship of the United
4 States and the Federated States of Micronesia, as re-
5 flected in subsections (b) and (c) of section 354 of this
6 Compact, as amended, and the separate agreement en-
7 tered into consistent with those subsections, if termination
8 occurs pursuant to section 441 prior to the twentieth anni-
9 versary of the effective date of this Compact, as amended,
10 the United States shall continue to make contributions to
11 the Trust Fund described in section 215 of this Compact,
12 as amended.

13 (c) In view of the special relationship of the United
14 States and the Federated States of Micronesia described
15 in subsection (b) of this section, if termination occurs pur-
16 suant to section 441 following the twentieth anniversary
17 of the effective date of this Compact, as amended, the
18 Federated States of Micronesia shall be entitled to receive
19 proceeds from the Trust Fund described in section 215
20 of this Compact, as amended, in the manner described in
21 those provisions and the Trust Fund Agreement governing
22 the distribution of such proceeds.

23 Section 452

24 (a) Should termination occur pursuant to section 442
25 prior to the twentieth anniversary of the effective date of

1 this Compact, as amended, the following provisions of this
2 Compact, as amended, shall remain in full force and effect
3 until the twentieth anniversary of the effective date of this
4 Compact, as amended, and thereafter as mutually agreed:

5 (1) Article VI and sections 172, 173, 176 and
6 177 of Title One;

7 (2) Sections 232 and 234 of Title Two;

8 (3) Title Three; and

9 (4) Articles II, III, V and VI of Title Four.

10 (b) Should termination occur pursuant to section 442
11 before the twentieth anniversary of the effective date of
12 the Compact, as amended:

13 (1) Except as provided in paragraph (2) of this
14 subsection and subsection (c) of this section, eco-
15 nomic and other assistance by the United States
16 shall continue only if and as mutually agreed by the
17 Governments of the United States and the Fed-
18 erated States of Micronesia.

19 (2) In view of the special relationship of the
20 United States and the Federated States of Micro-
21 nesia, as reflected in subsections (b) and (c) of sec-
22 tion 354 of this Compact, as amended, and the sepa-
23 rate agreement regarding mutual security, and the
24 Trust Fund Agreement, the United States shall con-
25 tinue to make contributions to the Trust Fund de-

1 scribed in section 215 of this Compact, as amended,
2 in the manner described in the Trust Fund Agree-
3 ment.

4 (c) In view of the special relationship of the United
5 States and the Federated States of Micronesia, as re-
6 flected in subsections 354(b) and (c) of this Compact, as
7 amended, and the separate agreement regarding mutual
8 security, and the Trust Fund Agreement, if termination
9 occurs pursuant to section 442 following the twentieth an-
10 niversary of the effective date of this Compact, as amend-
11 ed, the Federated States of Micronesia shall continue to
12 be eligible to receive proceeds from the Trust Fund de-
13 scribed in section 215 of this Compact, as amended, in
14 the manner described in those provisions and the Trust
15 Fund Agreement.

16 Section 453

17 (a) Should termination occur pursuant to section 443
18 prior to the twentieth anniversary of the effective date of
19 this Compact, as amended, the following provisions of this
20 Compact, as amended, shall remain in full force and effect
21 until the twentieth anniversary of the effective date of this
22 Compact, as amended, and thereafter as mutually agreed:

23 (1) Article VI and sections 172, 173, 176 and
24 177 of Title One;

25 (2) Sections 232 and 234 of Title Two;

1 (3) Title Three; and

2 (4) Articles II, III, V and VI of Title Four.

3 (b) Upon receipt of notice of termination pursuant
4 to section 443, the Government of the United States and
5 the Government of the Federated States of Micronesia
6 shall promptly consult with regard to their future relation-
7 ship. Except as provided in subsection (c) and (d) of this
8 section, these consultations shall determine the level of
9 economic and other assistance, if any, which the Govern-
10 ment of the United States shall provide to the Government
11 of the Federated States of Micronesia for the period end-
12 ing on the twentieth anniversary of the effective date of
13 this Compact, as amended, and for any period thereafter,
14 if mutually agreed.

15 (c) In view of the special relationship of the United
16 States and the Federated States of Micronesia, as re-
17 flected in subsections 354(b) and (c) of this Compact, as
18 amended, and the separate agreement regarding mutual
19 security, and the Trust Fund Agreement, if termination
20 occurs pursuant to section 443 prior to the twentieth anni-
21 versary of the effective date of this Compact, as amended,
22 the United States shall continue to make contributions to
23 the Trust Fund described in section 215 of this Compact,
24 as amended, in the manner described in the Trust Fund
25 Agreement.

1 (d) In view of the special relationship of the United
 2 States and the Federated States of Micronesia, as re-
 3 flected in subsections 354(b) and (c) of this Compact, as
 4 amended, and the separate agreement regarding mutual
 5 security, and the Trust Fund Agreement, if termination
 6 occurs pursuant to section 443 following the twentieth an-
 7 niversary of the effective date of this Compact, as amend-
 8 ed, the Federated States of Micronesia shall continue to
 9 be eligible to receive proceeds from the Trust Fund de-
 10 scribed in section 215 of this Compact, as amended, in
 11 the manner described in those provisions and the Trust
 12 Fund Agreement.

13 Section 454

14 Notwithstanding any other provision of this Compact,
 15 as amended:

16 (a) The Government of the United States reaf-
 17 firms its continuing interest in promoting the eco-
 18 nomic advancement and budgetary self-reliance of
 19 the people of the Federated States of Micronesia.

20 ~~(2)~~ (b) The separate agreements referred to in
 21 Article II of Title Three shall remain in effect in ac-
 22 cordance with their terms.

23 Article VI

24 Definition of Terms

25 Section 461

1 For the purpose of this Compact, as amended, only,
2 and without prejudice to the views of the Government of
3 the United States or the Government of the Federated
4 States of Micronesia as to the nature and extent of the
5 jurisdiction of either of them under international law, the
6 following terms shall have the following meanings:

7 (a) “Trust Territory of the Pacific Islands”
8 means the area established in the Trusteeship
9 Agreement consisting of the former administrative
10 districts of Kosrae, Yap, Ponape, the Marshall Is-
11 lands and Truk as described in Title One, Trust
12 Territory Code, section 1, in force on January 1,
13 1979. This term does not include the area of Palau
14 or the Northern Mariana Islands.

15 (b) “Trusteeship Agreement” means the agree-
16 ment setting forth the terms of trusteeship for the
17 Trust Territory of the Pacific Islands, approved by
18 the Security Council of the United Nations April 2,
19 1947, and by the United States July 18, 1947, en-
20 tered into force July 18, 1947, 61 Stat. 3301,
21 T.I.A.S. 1665, 8 U.N.T.S. 189.

22 (c) “The Federated States of Micronesia” and
23 “the Republic of the Marshall Islands” are used in
24 a geographic sense and include the land and water
25 areas to the outer limits of the territorial sea and

1 the air space above such areas as now or hereafter
2 recognized by the Government of the United States.

3 (d) “Compact” means the Compact of Free As-
4 sociation Between the United States and the Fed-
5 erated States of Micronesia and the Marshall Is-
6 lands, that was approved by the United States Con-
7 gress in section 201 of Public Law 99–239 (Jan. 14,
8 1986) and went into effect with respect to the Fed-
9 erated States of Micronesia on November 3, 1986.

10 (e) “Compact, as amended” means the Com-
11 pact of Free Association Between the United States
12 and the Federated States of Micronesia, as amend-
13 ed. The effective date of the Compact, as amended,
14 shall be on a date to be determined by the President
15 of the United States, and agreed to by the Govern-
16 ment of the Federated States of Micronesia, fol-
17 lowing formal approval of the Compact, as amended,
18 in accordance with section 411 of this Compact, as
19 amended.

20 (f) “Government of the Federated States of Mi-
21 cronnesia” means the Government established and or-
22 ganized by the Constitution of the Federated States
23 of Micronesia including all the political subdivisions
24 and entities comprising that Government.

1 (g) “Government of the Republic of the Mar-
2 shall Islands” means the Government established
3 and organized by the Constitution of the Republic of
4 the Marshall Islands including all the political sub-
5 divisions and entities comprising that Government.

6 (h) The following terms shall be defined con-
7 sistent with the 1998 Edition of the Radio Regula-
8 tions of the International Telecommunications Union
9 as follows:

10 (1) “Radiocommunication” means tele-
11 communication by means of radio waves.

12 (2) “Station” means one or more transmit-
13 ters or receivers or a combination of transmit-
14 ters and receivers, including the accessory
15 equipment, necessary at one location for car-
16 rying on a radiocommunication service, or the
17 radio astronomy service.

18 (3) “Broadcasting Service” means a
19 radiocommunication service in which the trans-
20 missions are intended for direct reception by
21 the general public. This service may include
22 sound transmissions, television transmissions or
23 other types of transmission.

24 (4) “Broadcasting Station” means a sta-
25 tion in the broadcasting service.

1 (5) “Assignment (of a radio frequency or
2 radio frequency channel)” means an authoriza-
3 tion given by an administration for a radio sta-
4 tion to use a radio frequency or radio frequency
5 channel under specified conditions.

6 (6) “Telecommunication” means any
7 transmission, emission or reception of signs,
8 signals, writings, images and sounds or intel-
9 ligence of any nature by wire, radio, optical or
10 other electromagnetic systems.

11 (i) “Military Areas and Facilities” means those
12 areas and facilities in the Federated States of Micro-
13 nesia reserved or acquired by the Government of the
14 Federated States of Micronesia for use by the Gov-
15 ernment of the United States, as set forth in the
16 separate agreements referred to in section 321.

17 (j) “Tariff Schedules of the United States”
18 means the Tariff Schedules of the United States as
19 amended from time to time and as promulgated pur-
20 suant to United States law and includes the Tariff
21 Schedules of the United States Annotated (TSUSA),
22 as amended.

23 (k) “Vienna Convention on Diplomatic Rela-
24 tions” means the Vienna Convention on Diplomatic

1 Relations, done April 18, 1961, 23 U.S.T. 3227,
2 T.I.A.S. 7502, 500 U.N.T.S. 95.

3 Section 462

4 (a) The Government of the United States and the
5 Government of the Federated States of Micronesia pre-
6 viously have concluded agreements pursuant to the Com-
7 pact, which shall remain in effect and shall survive in ac-
8 cordance with their terms, as follows:

9 (1) Agreement Concluded Pursuant to Section
10 234 of the Compact;

11 (2) Agreement Between the Government of the
12 United States and the Government of the Federated
13 States of Micronesia Regarding Friendship, Co-
14 operation and Mutual Security Concluded Pursuant
15 to Sections 321 and 323 of the Compact of Free As-
16 sociation; and

17 (3) Agreement between the Government of the
18 United States of America and the Federated States
19 of Micronesia Regarding Aspects of the Marine Sov-
20 ereignty and Jurisdiction of the Federated States of
21 Micronesia.

22 (b) The Government of the United States and the
23 Government of the Federated States of Micronesia shall
24 conclude prior to the date of submission of this Compact,
25 as amended, to the legislatures of the two countries, the

1 following related agreements which shall come into effect
2 on the effective date of this Compact, as amended, and
3 shall survive in accordance with their terms, as follows:

4 (1) Federal Programs and Services Agreement

5 Between the Government of the United States of
6 America and the Government of the Federated
7 States of Micronesia Concluded Pursuant to Article
8 III of Title One, Article II of Title Two (including
9 Section 222), and Section 231 of the Compact of
10 Free Association, as amended which includes:

11 (i) Postal Services and Related Programs;

12 (ii) Weather Services and Related Pro-
13 grams;

14 (iii) Civil Aviation Safety Service and Re-
15 lated Programs;

16 (iv) Civil Aviation Economic Services and
17 Related Programs;

18 (v) United States Disaster Preparedness
19 and Response Services and Related Programs;

20 (vi) Federal Deposit Insurance Corporation
21 Services and Related Programs; and

22 (vii) Telecommunications Services and Re-
23 lated Programs.

24 (2) Agreement Between the Government of the
25 United States of America and the Government of

1 the Federated States of Micronesia on Extradition,
2 Mutual Assistance in Law Enforcement Matters and
3 Penal Sanctions Concluded Pursuant to Section
4 175(a) of the Compact of Free Association, as
5 amended;

6 (3) Agreement Between the Government of the
7 United States of America and the Government of
8 the Federated States of Micronesia on Labor Re-
9 cruitment Concluded Pursuant to Section 175(b) of
10 the Compact of Free Association, as amended;

11 (4) Agreement Concerning Procedures for the
12 Implementation of United States Economic Assist-
13 ance Provided in the Compact of Free Association,
14 as Amended, of Free Association Between the Gov-
15 ernment of the United States of America and Gov-
16 ernment of the Federated States of Micronesia;

17 (5) Agreement Between the Government of the
18 United States of America and the Government of
19 the Federated States of Micronesia Implementing
20 Section 215 and Section 216 of the Compact, as
21 Amended, Regarding a Trust Fund;

22 (6) Agreement Regarding the Military Use and
23 Operating Rights of the Government of the United
24 States in the Federated States of Micronesia Con-
25 cluded Pursuant to Sections 211(b), 321 and 323 of

1 the Compact of Free Association, as Amended; and
2 the

3 (7) Status of Forces Agreement Between the
4 Government of the United States of America and
5 the Government of the Federated States of Micro-
6 nesia Concluded Pursuant to Section 323 of the
7 Compact of Free Association, as Amended.

8 Section 463

9 (a) Except as set forth in subsection (b) of this sec-
10 tion, any reference in this Compact, as amended, to a pro-
11 vision of the United States Code or the Statutes at Large
12 of the United States constitutes the incorporation of the
13 language of such provision into this Compact, as amended,
14 as such provision was in force on the effective date of this
15 Compact, as amended.

16 (b) Any reference in Articles IV and Article VI of
17 Title One and Sections 174, 175, 178 and 342 to a provi-
18 sion of the United States Code or the Statutes at Large
19 of the United States or to the Privacy Act, the Freedom
20 of Information Act, the Administrative Procedure Act or
21 the Immigration and Nationality Act constitutes the incor-
22 poration of the language of such provision into this Com-
23 pact, as amended, as such provision was in force on the
24 effective date of this Compact, as amended, or as it may
25 be amended thereafter on a non-discriminatory basis ac-

1 cording to the constitutional processes of the United
2 States.

3 Article VII

4 Concluding Provisions

5 Section 471

6 Both the Government of the United States and the
7 Government of the Federated States of Micronesia shall
8 take all necessary steps, of a general or particular char-
9 acter, to ensure, no later than the entry into force date
10 of this Compact, as amended, the conformity of its laws,
11 regulations and administrative procedures with the provi-
12 sions of this Compact, as amended, or in the case of sub-
13 section (d) of section 141, as soon as reasonably possible
14 thereafter.

15 Section 472

16 This Compact, as amended, may be accepted, by sig-
17 nature or otherwise, by the Government of the United
18 States and the Government of the Federated States of Mi-
19 cronesia.

20 IN WITNESS WHEREOF, the undersigned, duly
21 authorized, have signed this Compact of Free Association,
22 as amended, which shall enter into force upon the ex-
23 change of diplomatic notes by which the Government of
24 the United States of America and the Government of the
25 Federated States of Micronesia inform each other about

1 the fulfillment of their respective requirements for entry
2 into force.

3 DONE at Pohnpei, Federated States of Micronesia,
4 in duplicate, this fourteenth (14) day of May, 2003, each
5 text being equally authentic.

Signed (May 14, 2003)
For the Government of the
United States of America:

Signed (May 14, 2003)
For the Government of the
Federated States of
Micronesia:

6 (b) COMPACT OF FREE ASSOCIATION, AS AMENDED,
7 BETWEEN THE GOVERNMENT OF THE UNITED STATES
8 OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC
9 OF THE MARSHALL ISLANDS

10 PREAMBLE

11 THE GOVERNMENT OF THE UNITED STATES OF
12 AMERICA AND THE GOVERNMENT OF THE
13 REPUBLIC OF THE MARSHALL ISLANDS

14 Affirming that their Governments and their relation-
15 ship as Governments are founded upon respect for human
16 rights and fundamental freedoms for all, and that the peo-
17 ple of the Republic of the Marshall Islands have the right
18 to enjoy self-government; and

19 Affirming the common interests of the United States
20 of America and the Republic of the Marshall Islands in
21 creating and maintaining their close and mutually bene-
22 ficial relationship through the free and voluntary associa-
23 tion of their respective Governments; and

1 Affirming the interest of the Government of the
2 United States in promoting the economic advancement
3 and budgetary self-reliance of the Republic of the Marshall
4 Islands; and

5 Recognizing that their relationship until the entry
6 into force on October 21, 1986 of the Compact was based
7 upon the International Trusteeship System of the United
8 Nations Charter, and in particular Article 76 of the Char-
9 ter; and that pursuant to Article 76 of the Charter, the
10 people of the Republic of the Marshall Islands have pro-
11 gressively developed their institutions of self-government,
12 and that in the exercise of their sovereign right to self-
13 determination they, through their freely-expressed wishes,
14 have adopted a Constitution appropriate to their par-
15 ticular circumstances; and

16 Recognizing that the Compact reflected their common
17 desire to terminate the Trusteeship and establish a gov-
18 ernment-to-government relationship which was in accord-
19 ance with the new political status based on the freely ex-
20 pressed wishes of the people of the Republic of the Mar-
21 shall Islands and appropriate to their particular cir-
22 cumstances; and

23 Recognizing that the people of the Republic of the
24 Marshall Islands have and retain their sovereignty and
25 their sovereign right to self-determination and the inher-

1 ent right to adopt and amend their own Constitution and
2 form of government and that the approval of the entry
3 of the Government of the Republic of the Marshall Islands
4 into the Compact by the people of the Republic of the Mar-
5 shall Islands constituted an exercise of their sovereign
6 right to self-determination; and

7 Recognizing the common desire of the people of the
8 United States and the people of the Republic of the Mar-
9 shall Islands to maintain their close government-to-gov-
10 ernment relationship, the United States and the Republic
11 of the Marshall Islands:

12 NOW, THEREFORE, MUTUALLY AGREE to
13 continue and strengthen their relationship of free associa-
14 tion by amending the Compact, which continues to provide
15 a full measure of self-government for the people of the
16 Republic of the Marshall Islands; and

17 FURTHER AGREE that the relationship of free as-
18 sociation derives from and is as set forth in this Compact,
19 as amended, by the Governments of the United States and
20 the Republic of the Marshall Islands; and that, during
21 such relationship of free association, the respective rights
22 and responsibilities of the Government of the United
23 States and the Government of the Republic of the Mar-
24 shall Islands in regard to this relationship of free associa-

1 tion derive from and are as set forth in this Compact, as
 2 amended.

3 TITLE ONE

4 GOVERNMENTAL RELATIONS

5 Article I

6 Self-Government

7 Section 111

8 The people of the Republic of the Marshall Islands,
 9 acting through the Government established under their
 10 Constitution, are self-governing.

11 Article II

12 Foreign Affairs

13 Section 121

14 (a) The Government of the Republic of the Marshall
 15 Islands has the capacity to conduct foreign affairs and
 16 shall do so in its own name and right, except as otherwise
 17 provided in this Compact, as amended.

18 (b) The foreign affairs capacity of the Government
 19 of the Republic of the Marshall Islands includes:

20 (1) the conduct of foreign affairs relating to law
 21 of the sea and marine resources matters, including
 22 the harvesting, conservation, exploration or exploi-
 23 tation of living and non-living resources from the
 24 sea, seabed or subsoil to the full extent recognized
 25 under international law;

1 (2) the conduct of its commercial, diplomatic,
2 consular, economic, trade, banking, postal, civil avia-
3 tion, communications, and cultural relations, includ-
4 ing negotiations for the receipt of developmental
5 loans and grants and the conclusion of arrangements
6 with other governments and international and inter-
7 governmental organizations, including any matters
8 specially benefiting its individual citizens.

9 (c) The Government of the United States recognizes
10 that the Government of the Republic of the Marshall Is-
11 lands has the capacity to enter into, in its own name and
12 right, treaties and other international agreements with
13 governments and regional and international organizations.

14 (d) In the conduct of its foreign affairs, the Govern-
15 ment of the Republic of the Marshall Islands confirms that
16 it shall act in accordance with principles of international
17 law and shall settle its international disputes by peaceful
18 means.

19 Section 122

20 The Government of the United States shall support
21 applications by the Government of the Republic of the
22 Marshall Islands for membership or other participation in
23 regional or international organizations as may be mutually
24 agreed.

25 Section 123

1 (a) In recognition of the authority and responsibility
2 of the Government of the United States under Title Three,
3 the Government of the Republic of the Marshall Islands
4 shall consult, in the conduct of its foreign affairs, with
5 the Government of the United States.

6 (b) In recognition of the foreign affairs capacity of
7 the Government of the Republic of the Marshall Islands,
8 the Government of the United States, in the conduct of
9 its foreign affairs, shall consult with the Government of
10 the Republic of the Marshall Islands on matters that the
11 Government of the United States regards as relating to
12 or affecting the Government of the Republic of the Mar-
13 shall Islands.

14 Section 124

15 The Government of the United States may assist or
16 act on behalf of the Government of the Republic of the
17 Marshall Islands in the area of foreign affairs as may be
18 requested and mutually agreed from time to time. The
19 Government of the United States shall not be responsible
20 to third parties for the actions of the Government of the
21 Republic of the Marshall Islands undertaken with the as-
22 sistance or through the agency of the Government of the
23 United States pursuant to this section unless expressly
24 agreed.

25 Section 125

1 The Government of the United States shall not be
2 responsible for nor obligated by any actions taken by the
3 Government of the Republic of the Marshall Islands in the
4 area of foreign affairs, except as may from time to time
5 be expressly agreed.

6 Section 126

7 At the request of the Government of the Republic of
8 the Marshall Islands and subject to the consent of the re-
9 ceiving state, the Government of the United States shall
10 extend consular assistance on the same basis as for citi-
11 zens of the United States to citizens of the Republic of
12 the Marshall Islands for travel outside the Republic of the
13 Marshall Islands, the United States and its territories and
14 possessions.

15 Section 127

16 Except as otherwise provided in this Compact, as
17 amended, or its related agreements, all obligations, re-
18 sponsibilities, rights and benefits of the Government of the
19 United States as Administering Authority which resulted
20 from the application pursuant to the Trusteeship Agree-
21 ment of any treaty or other international agreement to the
22 Trust Territory of the Pacific Islands on October 20,
23 1986, are, as of that date, no longer assumed and enjoyed
24 by the Government of the United States.

1 Article III

2 Communications

3 Section 131

4 (a) The Government of the Republic of the Marshall
5 Islands has full authority and responsibility to regulate its
6 domestic and foreign communications, and the Govern-
7 ment of the United States shall provide communications
8 assistance as mutually agreed.

9 (b) The Government of the Republic of the Marshall
10 Islands has elected to undertake all functions previously
11 performed by the Government of the United States with
12 respect to domestic and foreign communications, except
13 for those functions set forth in a separate agreement en-
14 tered into pursuant to this section of the Compact, as
15 amended.

16 Section 132

17 The Government of the Republic of the Marshall Is-
18 lands shall permit the Government of the United States
19 to operate telecommunications services in the Republic of
20 the Marshall Islands to the extent necessary to fulfill the
21 obligations of the Government of the United States under
22 this Compact, as amended, in accordance with the terms
23 of separate agreements entered into pursuant to this sec-
24 tion of the Compact, as amended.

Article IV

Immigration

Section 141

(a) In furtherance of the special and unique relationship that exists between the United States and the Republic of the Marshall Islands, under the Compact, as amended, any person in the following categories may be admitted ~~to~~, to lawfully engage in occupations, and establish residence as a nonimmigrant in the United States and its territories and possessions (the “United States”) without regard to paragraphs (5) or (7)(B)(i)(II) of section 212(a) of the Immigration and Nationality Act, as amended, 8 U.S.C. 1182(a)(5) or (7)(B)(i)(II):

(1) a person who, on October 21, 1986, was a citizen of the Trust Territory of the Pacific Islands, as defined in Title 53 of the Trust Territory Code in force on January 1, 1979, and has become and remains a citizen of the Republic of the Marshall Islands;

(2) a person who acquires the citizenship of the Republic of the Marshall Islands at birth, on or after the effective date of the Constitution of the Republic of the Marshall Islands;

(3) an immediate relative of a person referred to in paragraphs (1) or (2) of this section, provided

1 that such immediate relative is a naturalized citizen
2 of the Republic of the Marshall Islands who has
3 been an actual resident there for not less than five
4 years after attaining such naturalization and who
5 holds a certificate of actual residence, and further
6 provided, that, in the case of a spouse, such spouse
7 has been married to the person referred to in para-
8 graph (1) or (2) of this section for at least five
9 years, and further provided, that the Government of
10 the United States is satisfied that such naturalized
11 citizen meets the requirement of subsection (b) of
12 section 104 of Public Law 99–239 as it was in effect
13 on the day prior to the effective date of this Com-
14 pact, as amended;

15 (4) a naturalized citizen of the Republic of the
16 Marshall Islands who was an actual resident there
17 for not less than five years after attaining such nat-
18 uralization and who satisfied these requirements as
19 of April 30, 2003, who continues to be an actual
20 resident and holds a certificate of actual residence,
21 and whose name is included in a list furnished by
22 the Government of the Republic of the Marshall Is-
23 lands to the Government of the United States no
24 later than the effective date of the Compact, as
25 amended, in form and content acceptable to the Gov-

1 ernment of the United States, provided, that the
2 Government of the United States is satisfied that
3 such naturalized citizen meets the requirement of
4 subsection (b) of section 104 of Public Law 99–239
5 as it was in effect on the day prior to the effective
6 date of this Compact, as amended; or

7 (5) an immediate relative of a citizen of the Re-
8 public of the Marshall Islands, regardless of the im-
9 mediate relative's country of citizenship or period of
10 residence in the Republic of the Marshall Islands, if
11 the citizen of the Republic of the Marshall Islands
12 is serving on active duty in any branch of the United
13 States Armed Forces, or in the active reserves.

14 (b) Notwithstanding subsection (a) of this section, a
15 person who is coming to the United States pursuant to
16 an adoption outside the United States, or for the purpose
17 of adoption in the United States, is ineligible for admission
18 under the Compact and the Compact, as amended. This
19 subsection shall apply to any person who is or was an ap-
20 plicant for admission to the United States on or after
21 March 1, 2003, including any applicant for admission in
22 removal proceedings (including appellate proceedings) on
23 or after March 1, 2003, regardless of the date such pro-
24 ceedings were commenced. This subsection shall have no
25 effect on the ability of the Government of the United

1 States or any United States State or local government to
2 commence or otherwise take any action against any person
3 or entity who has violated any law relating to the adoption
4 of any person.

5 (c) Notwithstanding subsection (a) of this section, no
6 person who has been or is granted citizenship in the Re-
7 public of the Marshall Islands, or has been or is issued
8 a Republic of the Marshall Islands passport pursuant to
9 any investment, passport sale, or similar program has
10 been or shall be eligible for admission to the United States
11 under the Compact or the Compact, as amended.

12 (d) A person admitted to the United States under the
13 Compact, or the Compact, as amended, shall be considered
14 to have the permission of the Government of the United
15 States to accept employment in the United States. An un-
16 expired Republic of the Marshall Islands passport with un-
17 expired documentation issued by the Government of the
18 United States evidencing admission under the Compact or
19 the Compact, as amended, shall be considered to be docu-
20 mentation establishing identity and employment author-
21 ization under section 274A(b)(1)(B) of the Immigration
22 and Nationality Act, as amended, 8 U.S.C.
23 1324a(b)(1)(B). The Government of the United States
24 will take reasonable and appropriate steps to implement
25 and publicize this provision, and the Government of the

1 Republic of the Marshall Islands will also take reasonable
2 and appropriate steps to publicize this provision.

3 (e) For purposes of the Compact and the Compact,
4 as amended:

5 (1) the term “residence” with respect to a per-
6 son means the person’s principal, actual dwelling
7 place in fact, without regard to intent, as provided
8 in section 101(a)(33) of the Immigration and Na-
9 tionality Act, as amended, 8 U.S.C. 1101(a)(33),
10 and variations of the term “residence,” including
11 “resident” and “reside,” shall be similarly con-
12 strued;

13 (2) the term “actual residence” means physical
14 presence in the Republic of the Marshall Islands
15 during eighty-five percent of the five-year period of
16 residency required by section 141(a)(3) and (4);

17 (3) the term “certificate of actual residence”
18 means a certificate issued to a naturalized citizen by
19 the Government of the Republic of the Marshall Is-
20 lands stating that the citizen has complied with the
21 actual residence requirement of section 141(a)(3) or
22 (4);

23 (4) the term “nonimmigrant” means an alien
24 who is not an “immigrant” as defined in section
25 101(a)(15) of such Act, 8 U.S.C. 1101(a)(15); and

1 (5) the term “immediate relative” means a
2 spouse, or unmarried son or unmarried daughter
3 less than 21 years of age.

4 (f) The Immigration and Nationality Act, as amend-
5 ed, shall apply to any person admitted or seeking admis-
6 sion to the United States (other than a United States pos-
7 session or territory where such Act does not apply) under
8 the Compact or the Compact, as amended, and nothing
9 in the Compact or the Compact, as amended, shall be con-
10 strued to limit, preclude, or modify the applicability of,
11 with respect to such person:

12 (1) any ground of inadmissibility or deport-
13 ability under such Act (except sections 212(a)(5)
14 and 212(a)(7)(B)(i)(II) of such Act, as provided in
15 subsection (a) of this section), and any defense
16 thereto, provided that, section 237(a)(5) of such Act
17 shall be construed and applied as if it reads as fol-
18 lows: “any alien who has been admitted under the
19 Compact, or the Compact, as amended, who cannot
20 show that he or she has sufficient means of support
21 in the United States, is deportable;”

22 (2) the authority of the Government of the
23 United States under section 214(a)(1) of such Act
24 to provide that admission as a nonimmigrant shall
25 be for such time and under such conditions as the

1 Government of the United States may by regulations
2 prescribe;

3 (3) except for the treatment of certain docu-
4 mentation for purposes of section 274A(b)(1)(B) of
5 such Act as provided by subsection (d) of this sec-
6 tion of the Compact, as amended, any requirement
7 under section 274A, including but not limited to sec-
8 tion 274A(b)(1)(E);

9 (4) section 643 of the Illegal Immigration Re-
10 form and Immigrant Responsibility Act of 1996,
11 Public Law 104–208, and actions taken pursuant to
12 section 643; and

13 (5) the authority of the Government of the
14 United States otherwise to administer and enforce
15 the Immigration and Nationality Act, as amended,
16 or other United States law.

17 (g) Any authority possessed by the Government of the
18 United States under this section of the Compact or the
19 Compact, as amended, may also be exercised by the Gov-
20 ernment of a territory or possession of the United States
21 where the Immigration and Nationality Act, as amended,
22 does not apply, to the extent such exercise of authority
23 is lawful under a statute or regulation of such territory
24 or possession that is authorized by the laws of the United
25 States.

1 (h) Subsection (a) of this section does not confer on
2 a citizen of the Republic of the Marshall Islands the right
3 to establish the residence necessary for naturalization
4 under the Immigration and Nationality Act, as amended,
5 or to petition for benefits for alien relatives under that
6 Act. Subsection (a) of this section, however, shall not pre-
7 vent a citizen of the Republic of the Marshall Islands from
8 otherwise acquiring such rights or lawful permanent resi-
9 dent alien status in the United States.

10 Section 142

11 (a) Any citizen or national of the United States may
12 be admitted ~~to~~, to lawfully engage in occupations, and re-
13 side in the Republic of the Marshall Islands, subject to
14 the rights of the Government of the Republic of the Mar-
15 shall Islands to deny entry to or deport any such citizen
16 or national as an undesirable alien. Any determination of
17 inadmissibility or deportability shall be based on reason-
18 able statutory grounds and shall be subject to appropriate
19 administrative and judicial review within the Republic of
20 the Marshall Islands. If a citizen or national of the United
21 States is a spouse of a citizen of the Republic of the Mar-
22 shall Islands, the Government of the Republic of the Mar-
23 shall Islands shall allow the United States citizen spouse
24 to establish residence. Should the Republic of the Marshall
25 Islands citizen spouse predecease the United States citizen

1 spouse during the marriage, the Government of the Re-
2 public of the Marshall Islands shall allow the United
3 States citizen spouse to continue to reside in the Republic
4 of the Marshall Islands.

5 (b) In enacting any laws or imposing any require-
6 ments with respect to citizens and nationals of the United
7 States entering the Republic of the Marshall Islands under
8 subsection (a) of this section, including any grounds of
9 inadmissibility or deportability, the Government of the Re-
10 public of the Marshall Islands shall accord to such citizens
11 and nationals of the United States treatment no less fa-
12 vorable than that accorded to citizens of other countries.

13 (c) Consistent with subsection (a) of this section, with
14 respect to citizens and nationals of the United States seek-
15 ing to engage in employment or invest in the Republic of
16 the Marshall Islands, the Government of the Republic of
17 the Marshall Islands shall adopt immigration-related pro-
18 cedures no less favorable than those adopted by the Gov-
19 ernment of the United States with respect to citizens of
20 the Republic of the Marshall Islands seeking employment
21 in the United States.

22 Section 143

23 Any person who relinquishes, or otherwise loses, his
24 United States nationality or citizenship, or his Republic
25 of the Marshall Islands citizenship, shall be ineligible to

1 receive the privileges set forth in sections 141 and 142.
2 Any such person may apply for admission to the United
3 States or the Republic of the Marshall Islands, as the case
4 may be, in accordance with any other applicable laws of
5 the United States or the Republic of the Marshall Islands
6 relating to immigration of aliens from other countries. The
7 laws of the Republic of the Marshall Islands or the United
8 States, as the case may be, shall dictate the terms and
9 conditions of any such person's stay.

10 Article V

11 Representation

12 Section 151

13 Relations between the Government of the United
14 States and the Government of the Republic of the Mar-
15 shall Islands shall be conducted in accordance with the
16 Vienna Convention on Diplomatic Relations. In addition
17 to diplomatic missions and representation, the Govern-
18 ments may establish and maintain other offices and des-
19 ignate other representatives on terms and in locations as
20 may be mutually agreed.

21 Section 152

22 (a) Any citizen or national of the United States who,
23 without authority of the United States, acts as the agent
24 of the Government of the Republic of the Marshall Islands
25 with regard to matters specified in the provisions of the

1 Foreign Agents Registration Act of 1938, as amended (22
2 U.S.C. 611 et seq.), that apply with respect to an agent
3 of a foreign principal shall be subject to the requirements
4 of such Act. Failure to comply with such requirements
5 shall subject such citizen or national to the same penalties
6 and provisions of law as apply in the case of the failure
7 of such an agent of a foreign principal to comply with such
8 requirements. For purposes of the Foreign Agents Reg-
9 istration Act of 1938, the Republic of the Marshall Islands
10 shall be considered to be a foreign country.

11 (b) Subsection (a) of this section shall not apply to
12 a citizen or national of the United States employed by the
13 Government of the Republic of the Marshall Islands with
14 respect to whom the Government of the Republic of the
15 Marshall Islands from time to time certifies to the Govern-
16 ment of the United States that such citizen or national
17 is an employee of the Republic of the Marshall Islands
18 whose principal duties are other than those matters speci-
19 fied in the Foreign Agents Registration Act of 1938, as
20 amended, that apply with respect to an agent of a foreign
21 principal. The agency or officer of the United States re-
22 ceiving such certifications shall cause them to be filed with
23 the Attorney General, who shall maintain a publicly avail-
24 able list of the persons so certified.

1 Article VI
2 Environmental Protection

3 Section 161

4 The Governments of the United States and the Re-
5 public of the Marshall Islands declare that it is their policy
6 to promote efforts to prevent or eliminate damage to the
7 environment and biosphere and to enrich understanding
8 of the natural resources of the Republic of the Marshall
9 Islands. In order to carry out this policy, the Government
10 of the United States and the Government of the Republic
11 of the Marshall Islands agree to the following mutual and
12 reciprocal undertakings:

13 (a) The Government of the United States:

14 (1) shall, for its activities controlled by the
15 U.S. Army at Kwajalein Atoll and in the Mid-
16 Atoll Corridor and for U.S. Army Kwajalein
17 Atoll activities in the Republic of the Marshall
18 Islands, continue to apply the Environmental
19 Standards and Procedures for United States
20 Army Kwajalein Atoll Activities in the Republic
21 of the Marshall Islands, unless and until those
22 Standards or Procedures are modified by mu-
23 tual agreement of the Governments of the
24 United States and the Republic of the Marshall
25 Islands;

1 (2) shall apply the National Environmental
2 Policy Act of 1969, 83 Stat. 852, 42 U.S.C.
3 4321 et seq., to its activities under the Com-
4 pact, as amended, and its related agreements as
5 if the Republic of the Marshall Islands were the
6 United States;

7 (3) in the conduct of any activity not de-
8 scribed in section 161(a)(1) requiring the prep-
9 aration of an Environmental Impact Statement
10 under section 161(a)(2), shall comply with
11 standards substantively similar to those re-
12 quired by the following laws of the United
13 States, taking into account the particular envi-
14 ronment of the Republic of the Marshall Is-
15 lands; the Endangered Species Act of 1973, as
16 amended, 16 U.S.C. 1531 et seq.; the Clean Air
17 Act, as amended, 42 U.S.C. 7401 et seq.; the
18 Clean Water Act (Federal Water Pollution Con-
19 trol Act), as amended, 33 U.S.C. 1251 et seq.;
20 Title I of the Marine Protection, Research and
21 Sanctuaries Act of 1972 (the Ocean Dumping
22 Act), 33 U.S.C. 1411 et seq.; the Toxic Sub-
23 stances Control Act, as amended, 15 U.S.C.
24 2601 et seq.; the Solid Waste Disposal Act, as
25 amended, 42 U.S.C. 6901 et seq.; and such

1 other environmental protection laws of the
2 United States and the Republic of the Marshall
3 Islands as may be agreed from time to time
4 with the Government of the Republic of the
5 Marshall Islands;

6 (4) shall, prior to conducting any activity
7 not described in section 161(a)(1) requiring the
8 preparation of an Environmental Impact State-
9 ment under section 161(a)(2), develop, as
10 agreed with the Government of the Republic of
11 the Marshall Islands, written environmental
12 standards and procedures to implement the
13 substantive provisions of the laws made applica-
14 ble to U.S. Government activities in the Repub-
15 lic of the Marshall Islands, pursuant to section
16 161(a)(3).

17 (b) The Government of the Republic of the
18 Marshall Islands shall continue to develop and im-
19 plement standards and procedures to protect its en-
20 vironment. As a reciprocal obligation to the under-
21 takings of the Government of the United States
22 under this Article, the Republic of the Marshall Is-
23 lands, taking into account its particular environ-
24 ment, shall continue to develop and implement
25 standards for environmental protection substantively

1 similar to those required of the Government of the
2 United States by section 161(a)(3) prior to its con-
3 ducting activities in the Republic of the Marshall Is-
4 lands, substantively equivalent to activities con-
5 ducted there by the Government of the United
6 States and, as a further reciprocal obligation, shall
7 enforce those standards.

8 (c) Section 161(a), including any standard or
9 procedure applicable thereunder, and section 161(b)
10 may be modified or superseded in whole or in part
11 by agreement of the Government of the United
12 States and the Government of the Republic of the
13 Marshall Islands.

14 (d) In the event that an Environmental Impact
15 Statement is no longer required under the laws of
16 the United States for major Federal actions signifi-
17 cantly affecting the quality of the human environ-
18 ment, the regulatory regime established under sec-
19 tions 161(a)(3) and 161(a)(4) shall continue to
20 apply to such activities of the Government of the
21 United States until amended by mutual agreement.

22 (e) The President of the United States may ex-
23 empt any of the activities of the Government of the
24 United States under this Compact, as amended, and
25 its related agreements from any environmental

1 standard or procedure which may be applicable
2 under sections 161(a)(3) and 161(a)(4) if the Presi-
3 dent determines it to be in the paramount interest
4 of the Government of the United States to do so,
5 consistent with Title Three of this Compact, as
6 amended, and the obligations of the Government of
7 the United States under international law. Prior to
8 any decision pursuant to this subsection, the views
9 of the Government of the Republic of the Marshall
10 Islands shall be sought and considered to the extent
11 practicable. If the President grants such an exemp-
12 tion, to the extent practicable, a report with his rea-
13 sons for granting such exemption shall be given
14 promptly to the Government of the Republic of the
15 Marshall Islands.

16 (f) The laws of the United States referred to in
17 section 161(a)(3) shall apply to the activities of the
18 Government of the United States under this Com-
19 pact, as amended, and its related agreements only to
20 the extent provided for in this section.

21 Section 162

22 The Government of the Republic of the Marshall Is-
23 lands may bring an action for judicial review of any ad-
24 ministrative agency action or any activity of the Govern-
25 ment of the United States pursuant to section 161(a) for

1 enforcement of the obligations of the Government of the
2 United States arising thereunder. The United States Dis-
3 trict Court for the District of Hawaii and the United
4 States District Court for the District of Columbia shall
5 have jurisdiction over such action or activity, and over ac-
6 tions brought under section 172(b) which relate to the ac-
7 tivities of the Government of the United States and its
8 officers and employees, governed by section 161, provided
9 that:

10 (a) Such actions may only be civil actions for
11 any appropriate civil relief other than punitive dam-
12 ages against the Government of the United States
13 or, where required by law, its officers in their official
14 capacity; no criminal actions may arise under this
15 section.

16 (b) Actions brought pursuant to this section
17 may be initiated only by the Government of the Re-
18 public of the Marshall Islands.

19 (c) Administrative agency actions arising under
20 section 161 shall be reviewed pursuant to the stand-
21 ard of judicial review set forth in 5 U.S.C. 706.

22 (d) The United States District Court for the
23 District of Hawaii and the United States District
24 Court for the District of Columbia shall have juris-
25 diction to issue all necessary processes, and the Gov-

1 ernment of the United States agrees to submit itself
2 to the jurisdiction of the court; decisions of the
3 United States District Court shall be reviewable in
4 the United States Court of Appeals for the Ninth
5 Circuit or the United States Court of Appeals for
6 the District of Columbia, respectively, or in the
7 United States Supreme Court as provided by the
8 laws of the United States.

9 (e) The judicial remedy provided for in this sec-
10 tion shall be the exclusive remedy for the judicial re-
11 view or enforcement of the obligations of the Gov-
12 ernment of the United States under this Article and
13 actions brought under section 172(b), which relate
14 to the activities of the Government of the United
15 States and its officers and employees governed by
16 section 161.

17 (f) In actions pursuant to this section, the Gov-
18 ernment of the Republic of the Marshall Islands
19 shall be treated as if it were a United States citizen.

20 Section 163

21 (a) For the purpose of gathering data necessary to
22 study the environmental effects of activities of the Govern-
23 ment of the United States subject to the requirements of
24 this Article, the Government of the Republic of the Mar-
25 shall Islands shall be granted access to facilities operated

1 by the Government of the United States in the Republic
2 of the Marshall Islands, to the extent necessary for this
3 purpose, except to the extent such access would unreason-
4 ably interfere with the exercise of the authority and re-
5 sponsibility of the Government of the United States under
6 Title Three.

7 (b) The Government of the United States, in turn,
8 shall be granted access to the Republic of the Marshall
9 Islands for the purpose of gathering data necessary to dis-
10 charge its obligations under this Article, except to the ex-
11 tent such access would unreasonably interfere with the ex-
12 ercise of the authority and responsibility of the Govern-
13 ment of the Republic of the Marshall Islands under Title
14 One, and to the extent necessary for this purpose shall
15 be granted access to documents and other information to
16 the same extent similar access is provided the Government
17 of the Republic of the Marshall Islands under the Freedom
18 of Information Act, 5 U.S.C. 552.

19 (c) The Government of the Republic of the Marshall
20 Islands shall not impede efforts by the Government of the
21 United States to comply with applicable standards and
22 procedures.

23 Article VII

24 General Legal Provisions

25 Section 171

1 Except as provided in this Compact, as amended, or
2 its related agreements, the application of the laws of the
3 United States to the Trust Territory of the Pacific Islands
4 by virtue of the Trusteeship Agreement ceased with re-
5 spect to the Marshall Islands on October 21, 1986, the
6 date the Compact went into effect.

7 Section 172

8 (a) Every citizen of the Republic of the Marshall Is-
9 lands who is not a resident of the United States shall enjoy
10 the rights and remedies under the laws of the United
11 States enjoyed by any non-resident alien.

12 (b) The Government of the Republic of the Marshall
13 Islands and every citizen of the Republic of the Marshall
14 Islands shall be considered to be a “person” within the
15 meaning of the Freedom of Information Act, 5 U.S.C.
16 552, and of the judicial review provisions of the Adminis-
17 trative Procedure Act, 5 U.S.C. 701–706, except that only
18 the Government of the Republic of the Marshall Islands
19 may seek judicial review under the Administrative Proce-
20 dure Act or judicial enforcement under the Freedom of
21 Information Act when such judicial review or enforcement
22 relates to the activities of the Government of the United
23 States governed by sections 161 and 162.

24 Section 173

1 The Governments of the United States and the Re-
2 public of the Marshall Islands agree to adopt and enforce
3 such measures, consistent with this Compact, as amended,
4 and its related agreements, as may be necessary to protect
5 the personnel, property, installations, services, programs
6 and official archives and documents maintained by the
7 Government of the United States in the Republic of the
8 Marshall Islands pursuant to this Compact, as amended,
9 and its related agreements and by the Government of the
10 Republic of the Marshall Islands in the United States pur-
11 suant to this Compact, Compact, as amended, and its re-
12 lated agreements.

13 Section 174

14 Except as otherwise provided in this Compact, as
15 amended, and its related agreements:

16 (a) The Government of the Republic of the
17 Marshall Islands, and its agencies and officials, shall
18 be immune from the jurisdiction of the court of the
19 United States, and the Government of the United
20 States, and its agencies and officials, shall be im-
21 mune from the jurisdiction of the courts of the Re-
22 public of the Marshall Islands.

23 (b) The Government of the United States ac-
24 cepts responsibility for and shall pay:

1 (1) any unpaid money judgment rendered
2 by the High Court of the Trust Territory of the
3 Pacific Islands against the Government of the
4 United States with regard to any cause of ac-
5 tion arising as a result of acts or omissions of
6 the Government of the Trust Territory of the
7 Pacific Islands or the Government of the
8 United States prior to October 21, 1986;

9 (2) any claim settled by the claimant and
10 the Government of the Trust Territory of the
11 Pacific Islands but not paid as of October 21,
12 1986; and

13 (3) settlement of any administrative claim
14 or of any action before a court of the Trust
15 Territory of the Pacific Islands or the Govern-
16 ment of the United States, arising as a result
17 of acts or omissions of the Government of the
18 Trust Territory of the Pacific Islands or the
19 Government of the United States.

20 (c) Any claim not referred to in section 174(b)
21 and arising from an act or omission of the Govern-
22 ment of the Trust Territory of the Pacific Islands or
23 the Government of the United States prior to the ef-
24 fective date of the Compact shall be adjudicated in
25 the same manner as a claim adjudicated according

1 to section 174(d). In any claim against the Govern-
2 ment of the Trust Territory of the Pacific Islands,
3 the Government of the United States shall stand in
4 the place of the Government of the Trust Territory
5 of the Pacific Islands. A judgment on any claim re-
6 ferred to in section 174(b) or this subsection, not
7 otherwise satisfied by the Government of the United
8 States, may be presented for certification to the
9 United States Court of Appeals for the Federal Cir-
10 cuit, or its successor courts, which shall have juris-
11 diction therefore, notwithstanding the provisions of
12 28 U.S.C. 1502, and which court's decisions shall be
13 reviewable as provided by the laws of the United
14 States. The United States Court of Appeals for the
15 Federal Circuit shall certify such judgment, and
16 order payment thereof, unless it finds, after a hear-
17 ing, that such judgment is manifestly erroneous as
18 to law or fact, or manifestly excessive. In either of
19 such cases the United States Court of Appeals for
20 the Federal Circuit shall have jurisdiction to modify
21 such judgment.

22 (d) The Government of the Republic of the
23 Marshall Islands shall not be immune from the juris-
24 diction of the courts of the United States, and the
25 Government of the United States shall not be im-

1 mune from the jurisdiction of the courts of the Re-
2 public of the Marshall Islands in any civil case in
3 which an exception to foreign state immunity is set
4 forth in the Foreign Sovereign Immunities Act (28
5 U.S.C. 1602 et seq.) or its successor statutes.

6 Section 175

7 (a) A separate agreement, which shall come into ef-
8 fect simultaneously with this Compact, as amended, and
9 shall have the force of law, shall govern mutual assistance
10 and cooperation in law enforcement matters, including the
11 pursuit, capture, imprisonment and extradition of fugi-
12 tives from justice and the transfer of prisoners, as well
13 as other law enforcement matters. In the United States,
14 the laws of the United States governing international ex-
15 tradition, including 18 U.S.C. 3184, 3186, and 3188–95,
16 shall be applicable to the extradition of fugitives under the
17 separate agreement, and the laws of the United States
18 governing the transfer of prisoners, including 18 U.S.C.
19 4100–15, shall be applicable to the transfer of prisoners
20 under the separate agreement; and

21 (b) A separate agreement, which shall come into ef-
22 fect simultaneously with this Compact, as amended, and
23 shall have the force of law, shall govern requirements re-
24 lating to labor recruitment practices, including registra-
25 tion, reporting, suspension or revocation of authorization

1 to recruit persons for employment in the United States,
2 and enforcement for violations of such requirements.

3 Section 176

4 The Government of the Republic of the Marshall Is-
5 lands confirms that final judgments in civil cases rendered
6 by any court of the Trust Territory of the Pacific Islands
7 shall continue in full force and effect, subject to the con-
8 stitutional power of the courts of the Republic of the Mar-
9 shall Islands to grant relief from judgments in appropriate
10 cases.

11 Section 177

12 Section 177 of the Compact entered into force with
13 respect to the Marshall Islands on October 21, 1986 as
14 follows:

15 “(a) The Government of the United States ac-
16 cepts the responsibility for compensation owing to
17 citizens of the Marshall Islands, or the Federated
18 States of Micronesia, (or Palau) for loss or damage
19 to property and person of the citizens of the Mar-
20 shall Islands, or the Federated States of Micronesia,
21 resulting from the nuclear testing program which
22 the Government of the United States conducted in
23 the Northern Marshall Islands between June 30,
24 1946, and August 18, 1958.

1 “(b) The Government of the United States and
2 the Government of the Marshall Islands shall set
3 forth in a separate agreement provisions for the just
4 and adequate settlement of all such claims which
5 have arisen in regard to the Marshall Islands and its
6 citizens and which have not as yet been compensated
7 or which in the future may arise, for the continued
8 administration by the Government of the United
9 States of direct radiation related medical surveil-
10 lance and treatment programs and radiological mon-
11 itoring activities and for such additional programs
12 and activities as may be mutually agreed, and for
13 the assumption by the Government of the Marshall
14 Islands of responsibility for enforcement of limita-
15 tions on the utilization of affected areas developed in
16 cooperation with the Government of the United
17 States and for the assistance by the Government of
18 the United States in the exercise of such responsi-
19 bility as may be mutually agreed. This separate
20 agreement shall come into effect simultaneously with
21 this Compact and shall remain in effect in accord-
22 ance with its own terms.

23 “(c) The Government of the United States shall
24 provide to the Government of the Marshall Islands,
25 on a grant basis, the amount of \$150 million to be

1 paid and distributed in accordance with the separate
2 agreement referred to in this Section, and shall pro-
3 vide the services and programs set forth in this sep-
4 arate agreement, the language of which is incor-
5 porated into this Compact.”

6 The Compact, as amended, makes no changes to, and has
7 no effect upon, Section 177 of the Compact, nor does the
8 Compact, as amended, change or affect the separate
9 agreement referred to in Section 177 of the Compact in-
10 cluding Articles IX and X of that separate agreement, and
11 measures taken by the parties thereunder.

12 Section 178

13 (a) The Federal agencies of the Government of the
14 United States that provide services and related programs
15 in the Republic of the Marshall Islands pursuant to Title
16 Two are authorized to settle and pay tort claims arising
17 in the Republic of the Marshall Islands from the activities
18 of such agencies or from the acts or omissions of the em-
19 ployees of such agencies. Except as provided in section
20 178(b), the provisions of 28 U.S.C. 2672 and 31 U.S.C.
21 1304 shall apply exclusively to such administrative settle-
22 ments and payments.

23 (b) Claims under section 178(a) that cannot be set-
24 tled under section 178(a) shall be disposed of exclusively
25 in accordance with Article II of Title Four. Arbitration

1 awards rendered pursuant to this subsection shall be paid
2 out of funds under 31 U.S.C. 1304.

3 (c) The Government of the United States and the
4 Government of the Republic of the Marshall Islands shall,
5 in the separate agreement referred to in section 231, pro-
6 vide for:

7 (1) the administrative settlement of claims re-
8 ferred to in section 178(a), including designation of
9 local agents in each State of the Republic of the
10 Marshall Islands; such agents to be empowered to
11 accept, investigate and settle such claims, in a timely
12 manner, as provided in such separate agreements;
13 and

14 (2) arbitration, referred to in section 178(b), in
15 a timely manner, at a site convenient to the claim-
16 ant, in the event a claim is not otherwise settled
17 pursuant to section 178(a).

18 (d) The provisions of section 174(d) shall not apply
19 to claims covered by this section.

20 (e) Except as otherwise explicitly provided by law of
21 the United States, this Compact, as amended, or its re-
22 lated agreements, neither the Government of the United
23 States, its instrumentalities, nor any person acting on be-
24 half of the Government of the United States, shall be
25 named a party in any action based on, or arising out of,

1 the activity or activities of a recipient of any grant or other
 2 assistance provided by the Government of the United
 3 States (or the activity or activities of the recipient's agen-
 4 cy or any other person or entity acting on behalf of the
 5 recipient).

6 Section 179

7 (a) The courts of the Republic of the Marshall Is-
 8 lands shall not exercise criminal jurisdiction over the Gov-
 9 ernment of the United States, or its instrumentalities.

10 (b) The courts of the Republic of the Marshall Is-
 11 lands shall not exercise criminal jurisdiction over any per-
 12 son if the Government of the United States provides notifi-
 13 cation to the Government of the Republic of the Marshall
 14 Islands that such person was acting on behalf of the Gov-
 15 ernment of the United States, for actions taken in further-
 16 ance of section 221 or 224 of ~~the~~ *this amended* Compact,
 17 or any other provision of law authorizing financial, pro-
 18 gram, or service assistance to the Republic of the Marshall
 19 Islands.

20 TITLE TWO

21 ECONOMIC RELATIONS

22 Article I

23 Grant Assistance

24 Section 211 - Annual Grant Assistance

1 (a) In order to assist the Government of the Republic
2 of the Marshall Islands in its efforts to promote the eco-
3 nomic advancement and budgetary self-reliance of its peo-
4 ple, and in recognition of the special relationship that ex-
5 ists between the Republic of the Marshall Islands and the
6 United States, the Government of the United States shall
7 provide assistance on a grant basis for a period of twenty
8 years in the amounts set forth in section 217, commencing
9 on the effective date of this Compact, as amended. Such
10 grants shall be used for assistance in education, health
11 care, the environment, public sector capacity building, and
12 private sector development, or for other areas as mutually
13 agreed, with priorities in the education and health care
14 sectors. Consistent with the medium-term budget and in-
15 vestment framework described in subsection (f) of this sec-
16 tion, the proposed division of this amount among the iden-
17 tified areas shall require the concurrence of both the Gov-
18 ernment of the United States and the Government of the
19 Republic of the Marshall Islands, through the Joint Eco-
20 nomic Management and Financial Accountability Com-
21 mittee described in section 214. The Government of the
22 United States shall disburse the grant assistance and
23 monitor the use of such grant assistance in accordance
24 with the provisions of this Article and an Agreement Con-
25 cerning Procedures for the Implementation of United

1 States Economic Assistance Provided in the Compact, as
2 Amended, of Free Association Between the Government
3 of the United States of America and the Government of
4 the Republic of the Marshall Islands (“Fiscal Procedures
5 Agreement”) which shall come into effect simultaneously
6 with this Compact, as amended.

7 (1) EDUCATION.—United States grant assist-
8 ance shall be made available in accordance with the
9 strategic framework described in subsection (f) of
10 this section to support and improve the educational
11 system of the Republic of the Marshall Islands and
12 develop the human, financial, and material resources
13 necessary for the Republic of the Marshall Islands to
14 perform these services. Emphasis should be placed
15 on advancing a quality basic education system.

16 (2) HEALTH.—United States grant assistance
17 shall be made available in accordance with the stra-
18 tegic framework described in subsection (f) of this
19 section to support and improve the delivery of pre-
20 ventive, curative and environmental care and develop
21 the human, financial, and material resources nec-
22 essary for the Republic of the Marshall Islands to
23 perform these services.

24 (3) PRIVATE SECTOR DEVELOPMENT.—United
25 States grant assistance shall be made available in

1 accordance with the strategic framework described
2 in subsection (f) of this section to support the ef-
3 forts of the Republic of the Marshall Islands to at-
4 tract foreign investment and increase indigenous
5 business activity by vitalizing the commercial envi-
6 ronment, ensuring fair and equitable application of
7 the law, promoting adherence to core labor stand-
8 ards, maintaining progress toward privatization of
9 state-owned and partially state-owned enterprises,
10 and engaging in other reforms.

11 (4) CAPACITY BUILDING IN THE PUBLIC SEC-
12 TOR.—United States grant assistance shall be made
13 available in accordance with the strategic framework
14 described in subsection (f) of this section to support
15 the efforts of the Republic of the Marshall Islands
16 to build effective, accountable and transparent na-
17 tional and local government and other public sector
18 institutions and systems.

19 (5) ENVIRONMENT.—United States grant as-
20 sistance shall be made available in accordance with
21 the strategic framework described in subsection (f)
22 of this section to increase environmental protection;
23 establish and manage conservation areas; engage in
24 environmental infrastructure planning, design con-
25 struction and operation; and to involve the citizens

1 of the Republic of the Marshall Islands in the proc-
2 ess of conserving their country's natural resources.

3 (b) KWAJALEIN ATOLL.—

4 (1) Of the total grant assistance made available
5 under subsection (a) of this section, the amount
6 specified herein shall be allocated annually from fis-
7 cal year 2004 through fiscal year 2023 (and there-
8 after in accordance with the Agreement between the
9 Government of the United States and the Govern-
10 ment of the Republic of the Marshall Islands Re-
11 garding Military Use and Operating Rights) to ad-
12 vance the objectives and specific priorities set forth
13 in subsections (a) and (d) of this section and the
14 Fiscal Procedures Agreement, to address the special
15 needs of the community at Ebeye, Kwajalein Atoll
16 and other Marshallese communities within Kwajalein
17 Atoll. This United States grant assistance shall be
18 made available, in accordance with the medium-term
19 budget and investment framework described in sub-
20 section (f) of this section, to support and improve
21 the infrastructure and delivery of services and de-
22 velop the human and material resources necessary
23 for the Republic of the Marshall Islands to carry out
24 its responsibility to maintain such infrastructure and
25 deliver such services. The amount of this assistance

1 shall be \$3,100,000, with an inflation adjustment as
2 provided in section 218, from fiscal year 2004
3 through fiscal year 2013 and the fiscal year 2013
4 level of funding, with an inflation adjustment as pro-
5 vided in section 218, will be increased by \$2 million
6 for fiscal year 2014. The fiscal year 2014 level of
7 funding, with an inflation adjustment as provided in
8 section 218, will be made available from fiscal year
9 2015 through fiscal year 2023 (and thereafter as
10 noted above).

11 (2) The Government of the United States shall
12 also provide to the Government of the Republic of
13 the Marshall Islands, in conjunction with section
14 321(a) of this Compact, as amended, an annual pay-
15 ment from fiscal year 2004 through fiscal year 2023
16 (and thereafter in accordance with the Agreement
17 between the Government of the United States and
18 the Government of the Republic of the Marshall Is-
19 lands Regarding Military Use and Operating Rights)
20 of \$1.9 million. This grant assistance will be subject
21 to the Fiscal Procedures Agreement and will be ad-
22 justed for inflation under section 218 and used to
23 address the special needs of the community at
24 Ebeye, Kwajalein Atoll and other Marshallese com-
25 munities within Kwajalein Atoll with emphasis on

1 the Kwajalein landowners, as described in the Fiscal
2 Procedures Agreement.

3 (3) Of the total grant assistance made available
4 under subsection (a) of this section, and in conjunc-
5 tion with section 321(a) of the Compact, as amend-
6 ed, \$200,000, with an inflation adjustment as pro-
7 vided in section 218, shall be allocated annually
8 from fiscal year 2004 through fiscal year 2023 (and
9 thereafter as provided in the Agreement between the
10 Government of the United States and the Govern-
11 ment of the Republic of the Marshall Islands Re-
12 garding Military Use and Operating Rights) for a
13 grant to support increased participation of the Gov-
14 ernment of the Republic of the Marshall Islands En-
15 vironmental Protection Authority in the annual U.S.
16 Army Kwajalein Atoll Environmental Standards
17 Survey and to promote a greater Government of the
18 Republic of the Marshall Islands capacity for inde-
19 pendent analysis of the Survey's findings and con-
20 clusions.

21 (c) HUMANITARIAN ASSISTANCE—REPUBLIC OF THE
22 MARSHALL ISLANDS PROGRAM.—In recognition of the
23 special development needs of the Republic of the Marshall
24 Islands, the Government of the United States shall make
25 available to the Government of the Republic of the Mar-

1 shall Islands, on its request and to be deducted from the
2 grant amount made available under subsection (a) of this
3 section, a Humanitarian Assistance—Republic of the Mar-
4 shall Islands (“HARMI”) Program with emphasis on
5 health, education, and infrastructure (including transpor-
6 tation), projects and such other projects as mutually
7 agreed. The terms and conditions of the HARMI shall be
8 set forth in the Agreement Regarding the Military Use
9 and Operating Rights of the Government of the United
10 States in the Republic of the Marshall Islands Concluded
11 Pursuant to Sections 321 and 323 of the Compact of Free
12 Association, as Amended, which shall come into effect si-
13 multaneously with the amendments to this Compact.

14 (d) PUBLIC INFRASTRUCTURE.—

15 (1) Unless otherwise agreed, not less than 30
16 percent and not more than 50 percent of U.S. an-
17 nual grant assistance provided under this section
18 shall be made available in accordance with a list of
19 specific projects included in the infrastructure im-
20 provement and maintenance plan prepared by the
21 Government of the Republic of the Marshall Islands
22 as part of the strategic framework described in sub-
23 section (f) of this section.

24 (2) INFRASTRUCTURE MAINTENANCE FUND.—

25 Five percent of the annual public infrastructure

1 grant made available under paragraph ~~(i)~~ (1) of this
2 subsection shall be set aside, with an equal contribu-
3 tion from the Government of the Republic of the
4 Marshall Islands, as a contribution to an Infrastruc-
5 ture Maintenance Fund. Administration of the In-
6 frastructure Maintenance Fund shall be governed by
7 the Fiscal Procedures Agreement.

8 (e) DISASTER ASSISTANCE EMERGENCY FUND.—Of
9 the total grant assistance made available under subsection
10 (a) of this section, an amount of two hundred thousand
11 dollars (\$200,000) shall be provided annually, with an
12 equal contribution from the Government of the Republic
13 of the Marshall Islands, as a contribution to a Disaster
14 Assistance Emergency Fund (“DAEF”). Any funds from
15 the DAEF may be used only for assistance and rehabilita-
16 tion resulting from disasters and emergencies. The funds
17 will be accessed upon declaration of a State of Emergency
18 by the Government of the Republic of the Marshall Is-
19 lands, with the concurrence of the United States Chief of
20 Mission to the Republic of the Marshall Islands. Adminis-
21 tration of the DAEF shall be governed by the Fiscal Pro-
22 cedures Agreement.

23 (f) BUDGET AND INVESTMENT FRAMEWORK.—The
24 Government of the Republic of the Marshall Islands shall
25 prepare and maintain an official medium-term budget and

1 investment framework. The framework shall be strategic
2 in nature, shall be continuously reviewed and updated
3 through the annual budget process, and shall make projec-
4 tions on a multi-year rolling basis. Each of the sectors
5 and areas named in subsections (a), (b), and (d) of this
6 section, or other sectors and areas as mutually agreed,
7 shall be accorded specific treatment in the framework.
8 Those portions of the framework that contemplate the use
9 of United States grant funds shall require the concurrence
10 of both the Government of the United States and the Gov-
11 ernment of the Republic of the Marshall Islands.

12 Section 212 - Kwajalein Impact and Use

13 The Government of the United States shall provide
14 to the Government of the Republic of the Marshall Islands
15 in conjunction with section 321(a) of the Compact, as
16 amended, and the agreement between the Government of
17 the United States and the Government of the Republic of
18 the Marshall Islands regarding military use and operating
19 rights, a payment in fiscal year 2004 of \$15,000,000, with
20 no adjustment for inflation. In fiscal year 2005 and
21 through fiscal year 2013, the annual payment will be the
22 fiscal year 2004 amount (\$15,000,000) with an inflation
23 adjustment as provided under section 218. In fiscal year
24 2014, the annual payment will be \$18,000,000 (with no
25 adjustment for inflation) or the fiscal year 2013 amount

1 with an inflation adjustment under section 218, whichever
2 is greater. For fiscal year 2015 through fiscal year 2023
3 (and thereafter in accordance with the Agreement between
4 the Government of the United States and the Government
5 of the Republic of the Marshall Islands Regarding Military
6 Use and Operating Rights) the annual payment will be
7 the fiscal year 2014 amount, with an inflation adjustment
8 as provided under section 218.

9 Section 213 - Accountability

10 (a) Regulations and policies normally applicable to
11 United States financial assistance to its state and local
12 governments, as set forth in the Fiscal Procedures Agree-
13 ment, shall apply to each grant described in section 211,
14 and to grants administered under section 221 below, ex-
15 cept as modified in the separate agreements referred to
16 in section 231 of this Compact, as amended, or by U.S.
17 law. As set forth in the Fiscal Procedures Agreement, rea-
18 sonable terms and conditions, including annual perform-
19 ance indicators that are necessary to ensure effective use
20 of United States assistance and reasonable progress to-
21 ward achieving program objectives may be attached. In ad-
22 dition, the United States may seek appropriate remedies
23 for noncompliance with the terms and conditions attached
24 to the assistance, or for failure to comply with section 234,
25 including withholding assistance.

1 (b) The Government of the United States shall, for
2 each fiscal year of the twenty years during which assist-
3 ance is to be provided on a sector grant basis under sec-
4 tion 211 (a), grant the Government of the Republic of the
5 Marshall Islands an amount equal to the lesser of (i) one
6 half of the reasonable, properly documented cost incurred
7 during such fiscal year to conduct the annual audit re-
8 quired under Article VIII (2) of the Fiscal Procedures
9 Agreement or (ii) \$500,000. Such amount will not be ad-
10 justed for inflation under section 218 or otherwise.

11 Section 214 - Joint Economic Management and Financial
12 Accountability Committee

13 The Governments of the United States and the Re-
14 public of the Marshall Islands shall establish a Joint Eco-
15 nomic Management and Financial Accountability Com-
16 mittee, composed of a U.S. chair, two other members from
17 the Government of the United States and two members
18 from the Government of the Republic of the Marshall Is-
19 lands. The Joint Economic Management and Financial
20 Accountability Committee shall meet at least once each
21 year to review the audits and reports required under this
22 Title and the Fiscal Procedures Agreement, evaluate the
23 progress made by the Republic of the Marshall Islands in
24 meeting the objectives identified in its framework de-
25 scribed in subsection (f) of section 211, with particular

1 focus on those parts of the framework dealing with the
2 sectors and areas identified in subsection (a) of section
3 211, identify problems encountered, and recommend ways
4 to increase the effectiveness of U.S. assistance made avail-
5 able under this Title. The establishment and operations
6 of the Joint Economic Management and Financial Ac-
7 countability Committee shall be governed by the Fiscal
8 Procedures Agreement.

9 Section 215 - Annual Report

10 The Government of the Republic of the Marshall Is-
11 lands shall report annually to the President of the United
12 States on the use of United States sector grant assistance
13 and other assistance and progress in meeting mutually
14 agreed program and economic goals. The Joint Economic
15 Management and Financial Accountability Committee
16 shall review and comment on the report and make appro-
17 priate recommendations based thereon.

18 Section 216 - Trust Fund

19 (a) The United States shall contribute annually for
20 twenty years from the effective date of the Compact, as
21 amended, in the amounts set forth in section 217 into a
22 trust fund established in accordance with the Agreement
23 Between the Government of the United States of America
24 and the Government of the Republic of the Marshall Is-
25 lands Implementing Section 216 and Section 217 of the

1 Compact, as Amended, Regarding a Trust Fund (“Trust
2 Fund Agreement”), which shall come into effect simulta-
3 neously with this Compact, as amended. Upon termination
4 of the annual grant assistance under section 211 (a), (d)
5 and (e), the earnings of the fund shall thereafter be used
6 for the purposes described in section 211 or as otherwise
7 mutually agreed.

8 (b) The United States contribution into the Trust
9 Fund described in subsection (a) of this section is condi-
10 tioned on the Government of the Republic of the Marshall
11 Islands contributing to the Trust Fund at least
12 \$25,000,000, on the effective date of the Trust Fund
13 Agreement or on October 1, 2003, whichever is later,
14 \$2,500,000 prior to October 1, 2004, and \$2,500,000
15 prior to October 1, 2005. Any funds received by the Re-
16 public of the Marshall Islands under section 111(d) of
17 Public Law 99–239 (January 14, 1986), or successor pro-
18 visions, would be contributed to the Trust Fund as a Re-
19 public of the Marshall Islands’ contribution.

20 (c) The terms regarding the investment and manage-
21 ment of funds and use of the income of the Trust Fund
22 shall be governed by the Trust Fund Agreement. Funds
23 derived from United States investment shall not be subject
24 to Federal or state taxes in the United States or any taxes
25 in the Republic of the Marshall Islands. The Trust Fund

1 Agreement shall also provide for annual reports to the
2 Government of the United States and to the Government
3 of the Republic of the Marshall Islands. The Trust Fund
4 Agreement shall provide for appropriate distributions of
5 trust fund proceeds to the Republic of the Marshall Is-
6 lands and for appropriate remedies for the failure of the
7 Republic of the Marshall Islands to use income of the
8 Trust Fund for the annual grant purposes set forth in
9 section 211. These remedies may include the return to the
10 United States of the present market value of its contribu-
11 tions to the Trust Fund and the present market value of
12 any undistributed income on the contributions of the
13 United States. If this Compact, as amended, is termi-
14 nated, the provisions of sections 451–453 of the Compact,
15 as amended, and the Trust Fund Agreement shall govern
16 treatment of any U.S. contributions to the Trust Fund
17 or accrued income thereon.

18 Section 217 - Annual Grant Funding and Trust Fund
19 Contributions

20 The funds described in sections 211, 212, 213(b),
21 and 216 shall be made available as follows:

[In millions of dollars]

Fiscal year	Annual Grants Section 211	Audit Grant Section 213(b)	Trust Fund Section 216 (a&c)	Kwajalein Impact Section 212	Total
2004	35.2	.5	7	15.0	57.7
2005	34.7	.5	7.5	15.0	57.7
2006	34.2	.5	8	15.0	57.7
2007	33.7	.5	8.5	15.0	57.7
2008	33.2	.5	9	15.0	57.7
2009	32.7	.5	9.5	15.0	57.7
2010	32.2	.5	10	15.0	57.7
2011	31.7	.5	10.5	15.0	57.7

[In millions of dollars]

Fiscal year	Annual Grants Section 211	Audit Grant Section 213(b)	Trust Fund Section 216 (a&c)	Kwajalein Impact Section 212	Total
2012	31.2	.5	11	15.0	57.7
2013	30.7	.5	11.5	15.0	57.7
2014	32.2	.5	12	18.0	62.7
2015	31.7	.5	12.5	18.0	62.7
2016	31.2	.5	13	18.0	62.7
2017	30.7	.5	13.5	18.0	62.7
2018	30.2	.5	14	18.0	62.7
2019	29.7	.5	14.5	18.0	62.7
2020	29.2	.5	15	18.0	62.7
2021	28.7	.5	15.5	18.0	62.7
2022	28.2	.5	16	18.0	62.7
2023	27.7	.5	16.5	18.0	62.7

1 Section 218 - Inflation Adjustment

2 Except as otherwise provided, the amounts stated in
3 this Title shall be adjusted for each United States Fiscal
4 Year by the percent that equals two-thirds of the percent
5 change in the United States Gross Domestic Product Im-
6 plicit Price Deflator, or 5 percent, whichever is less in any
7 one year, using the beginning of Fiscal Year 2004 as a
8 base.

9 Section 219 - Carry-Over of Unused Funds

10 If in any year the funds made available by the Gov-
11 ernment of the United States for that year pursuant to
12 this Article are not completely obligated by the Govern-
13 ment of the Republic of the Marshall Islands, the unobli-
14 gated balances shall remain available in addition to the
15 funds to be provided in subsequent years.

16 Article II

17 Services and Program Assistance

18 Section 221

1 (a) SERVICES.—The Government of the United
2 States shall make available to the Republic of the Marshall
3 Islands, in accordance with and to the extent provided in
4 the Federal Programs and Services Agreement referred to
5 in Section 231, the services and related programs of:

6 (1) the United States Weather Service;

7 (2) the United States Postal Service;

8 (3) the United States Federal Aviation Admin-
9 istration;

10 (4) the United States Department of Transpor-
11 tation; and

12 (5) the Department of Homeland Security, and
13 the United States Agency for International Develop-
14 ment, Office of Foreign Disaster Assistance.

15 Upon the effective date of this Compact, as amended, the
16 United States Departments and Agencies named or having
17 responsibility to provide these services and related pro-
18 grams shall have the authority to implement the relevant
19 provisions of the Federal Programs and Services Agree-
20 ment referred to in section 231.

21 (b) PROGRAMS.—

22 (1) Other than the services and programs cov-
23 ered by subsection (a) of this section, and to the ex-
24 tent authorized by the Congress of the United
25 States, the Government of the United States shall

1 make available to the Republic of the Marshall Is-
2 lands the services and programs that were available
3 to the Republic of the Marshall Islands on the effec-
4 tive date of this Compact, as amended, to the extent
5 that such services and programs continue to be
6 available to State and local governments of the
7 United States. As set forth in the Fiscal Procedures
8 Agreement, funds provided under subsection (a) of
9 section 211 shall be considered to be local revenues
10 of the Government of the Republic of the Marshall
11 Islands when used as the local share required to ob-
12 tain Federal programs and services.

13 (2) Unless provided otherwise by U.S. law, the
14 services and programs described in paragraph (1) of
15 this subsection shall be extended in accordance with
16 the terms of the Federal Programs and Services
17 Agreement.

18 (c) The Government of the United States shall have
19 and exercise such authority as is necessary to carry out
20 its responsibilities under this Title and the Federal Pro-
21 grams and Services Agreement, including the authority to
22 monitor and administer all service and program assistance
23 provided by the United States to the Republic of the Mar-
24 shall Islands. The Federal Programs and Services Agree-
25 ment shall also set forth the extent to which services and

1 programs shall be provided to the Republic of the Marshall
2 Islands.

3 (d) Except as provided elsewhere in this Compact, as
4 amended, under any separate agreement entered into
5 under this Compact, as amended, or otherwise under U.S.
6 law, all Federal domestic programs extended to or oper-
7 ating in the Republic of the Marshall Islands shall be sub-
8 ject to all applicable criteria, standards, reporting require-
9 ments, auditing procedures, and other rules and regula-
10 tions applicable to such programs and services when oper-
11 ating in the United States.

12 (e) The Government of the United States shall make
13 available to the Republic of the Marshall Islands alternate
14 energy development projects, studies, and conservation
15 measures to the extent provided for the Freely Associated
16 States in the laws of the United States.

17 Section 222

18 The Government of the United States and the Gov-
19 ernment of the Republic of the Marshall Islands may agree
20 from time to time to extend to the Republic of the Mar-
21 shall Islands additional United States grant assistance,
22 services and programs, as provided under the laws of the
23 United States. Unless inconsistent with such laws, or oth-
24 erwise specifically precluded by the Government of the
25 United States at the time such additional grant assistance,

1 services, or programs are extended, the Federal Programs
2 and Services Agreement shall apply to any such assist-
3 ance, services or programs.

4 Section 223

5 The Government of the Republic of the Marshall Is-
6 lands shall make available to the Government of the
7 United States at no cost such land as may be necessary
8 for the operations of the services and programs provided
9 pursuant to this Article, and such facilities as are provided
10 by the Government of the Republic of the Marshall Islands
11 at no cost to the Government of the United States as of
12 the effective date of this Compact, as amended, or as may
13 be mutually agreed thereafter.

14 Section 224

15 The Government of the Republic of the Marshall Is-
16 lands may request, from the time to time, technical assist-
17 ance from the Federal agencies and institutions of the
18 Government of the United States, which are authorized
19 to grant such technical assistance in accordance with its
20 laws. If technical assistance is granted pursuant to such
21 a request, the Government of the United States shall pro-
22 vide the technical assistance in a manner which gives pri-
23 ority consideration to the Republic of the Marshall Islands
24 over other recipients not a part of the United States, its
25 territories or possessions, and equivalent consideration to

1 the Republic of the Marshall Islands with respect to other
2 states in Free Association with the United States. Such
3 assistance shall be made available on a reimbursable or
4 non-reimbursable basis to the extent provided by United
5 States law.

6 Article III

7 Administrative Provisions

8 Section 231

9 The specific nature, extent and contractual arrange-
10 ments of the services and programs provided for in section
11 221 of this Compact, as amended, as well as the legal sta-
12 tus of agencies of the Government of the United States,
13 their civilian employees and contractors, and the depend-
14 ents of such personnel while present in the Republic of
15 the Marshall Islands, and other arrangements in connec-
16 tion with the assistance, services, or programs furnished
17 by the Government of the United States, are set forth in
18 a Federal Programs and Services Agreement which shall
19 come into effect simultaneously with this Compact, as
20 amended.

21 Section 232

22 The Government of the United States, in consultation
23 with the Government of the Republic of the Marshall Is-
24 lands, shall determine and implement procedures for the
25 periodic audit of all grants and other assistance made

1 under Article I of this Title and of all funds expended for
2 the services and programs provided under Article II of this
3 Title. Further, in accordance with the Fiscal Procedures
4 Agreement described in subsection (a) of section 211, the
5 Comptroller General of the United States shall have such
6 powers and authorities as described in sections 103(m)
7 and 110(c) of Public Law 99–239, 99 Stat. 1777–78, and
8 99 Stat. 1799 (January 14, 1986).

9 Section 233

10 Approval of this Compact, as amended, by the Gov-
11 ernment of the United States, in accordance with its con-
12 stitutional processes, shall constitute a pledge by the
13 United States that the sums and amounts specified as
14 grants in section 211 of this Compact, as amended, shall
15 be appropriated and paid to the Republic of the Marshall
16 Islands for such period as those provisions of this Com-
17 pact, as amended, remain in force, provided that the Re-
18 public of the Marshall Islands complies with the terms and
19 conditions of this Title and related subsidiary agreements.

20 Section 234

21 The Government of the Republic of the Marshall Is-
22 lands pledges to cooperate with, permit, and assist if rea-
23 sonably requested, designated and authorized representa-
24 tives of the Government of the United States charged with
25 investigating whether Compact funds, or any other assist-

1 ance authorized under this Compact, as amended, have,
2 or are being, used for purposes other than those set forth
3 in this Compact, as amended, or its subsidiary agree-
4 ments. In carrying out this investigative authority, such
5 United States Government representatives may request
6 that the Government of the Republic of the Marshall Is-
7 lands subpoena documents and records and compel testi-
8 mony in accordance with the laws and Constitution of the
9 Republic of the Marshall Islands. Such assistance by the
10 Government of the Republic of the Marshall Islands to the
11 Government of the United States shall not be unreason-
12 ably withheld. The obligation of the Government of the
13 Marshall Islands to fulfill its pledge herein is a condition
14 to its receiving payment of such funds or other assistance
15 authorized under this Compact, as amended. The Govern-
16 ment of the United States shall pay any reasonable costs
17 for extraordinary services executed by the Government of
18 the Marshall Islands in carrying out the provisions of this
19 section.

20 Article IV

21 Trade

22 Section 241

23 The Republic of the Marshall Islands is not included
24 in the customs territory of the United States.

25 Section 242

1 The President shall proclaim the following tariff
2 treatment for articles imported from the Republic of the
3 Marshall Islands which shall apply during the period of
4 effectiveness of this title:

5 (a) Unless otherwise excluded, articles imported
6 from the Republic of the Marshall Islands, subject to
7 the limitations imposed under section 503(b) of title
8 V of the Trade Act of 1974 (19 U.S.C. 2463(b)),
9 shall be exempt from duty.

10 (b) Only tuna in airtight containers provided
11 for in heading 1604.14.22 of the Harmonized Tariff
12 Schedule of the United States that is imported from
13 the Republic of the Marshall Islands and the Fed-
14 erated States of Micronesia during any calendar
15 year not to exceed 10 percent of apparent United
16 States consumption of tuna in airtight containers
17 during the immediately preceding calendar year, as
18 reported by the National Marine Fisheries Service,
19 shall be exempt from duty; but the quantity of tuna
20 given duty-free treatment under this paragraph for
21 any calendar year shall be counted against the ag-
22 gregated quantity of tuna in airtight containers that
23 is dutiable under rate column numbered 1 of such
24 heading 1604.14.22 for that calendar year.

1 (c) The duty-free treatment provided under
2 subsection (a) shall not apply to:

3 (1) watches, clocks, and timing apparatus
4 provided for in Chapter 91, excluding heading
5 9113, of the Harmonized Tariff Schedule of the
6 United States;

7 (2) buttons (whether finished or not fin-
8 ished) provided for in items 9606.21.40 and
9 9606.29.20 of such Schedule;

10 (3) textile and apparel articles which are
11 subject to textile agreements; and

12 (4) footwear, handbags, luggage, flat
13 goods, work gloves, and leather wearing apparel
14 which were not eligible articles for purposes of
15 title V of the Trade Act of 1974 (19 U.S.C.
16 2461, et seq.) on April 1, 1984.

17 (d) If the cost or value of materials produced
18 in the customs territory of the United States is in-
19 cluded with respect to an eligible article which is a
20 product of the Republic of the Marshall Islands, an
21 amount not to exceed 15 percent of the appraised
22 value of the article at the time it is entered that is
23 attributable to such United States cost or value may
24 be applied for duty assessment purposes toward de-

1 termining the percentage referred to in section
2 503(a)(2) of title V of the Trade Act of 1974.

3 Section 243

4 Articles imported from the Republic of the Marshall
5 Islands which are not exempt from duty under subsections
6 (a), (b), (c), and (d) of section 242 shall be subject to
7 the rates of duty set forth in column numbered 1-general
8 of the Harmonized Tariff Schedule of the United States
9 (HTSUS).

10 Section 244

11 (a) All products of the United States imported into
12 the Republic of the Marshall Islands shall receive treat-
13 ment no less favorable than that accorded like products
14 of any foreign country with respect to customs duties or
15 charges of a similar nature and with respect to laws and
16 regulations relating to importation, exportation, taxation,
17 sale, distribution, storage or use.

18 (b) The provisions of subsection (a) shall not apply
19 to advantages accorded by the Republic of the Marshall
20 Islands by virtue of their full membership in the Pacific
21 Island Countries Trade Agreement (PICTA), done on Au-
22 gust 18, 2001, to those governments listed in Article 26
23 of PICTA, as of the date the Compact, as amended, is
24 signed.

1 (c) Prior to entering into consultations on, or con-
2 cluding, a free trade agreement with governments not list-
3 ed in Article 26 of PICTA, the Republic of the Marshall
4 Islands shall consult with the United States regarding
5 whether or how subsection (a) of section 244 shall be ap-
6 plied.

7 Article V

8 Finance and Taxation

9 Section 251

10 The currency of the United States is the official cir-
11 culating legal tender of the Republic of the Marshall Is-
12 lands. Should the Government of the Republic of the Mar-
13 shall Islands act to institute another currency, the terms
14 of an appropriate currency transitional period shall be as
15 agreed with the Government of the United States.

16 Section 252

17 The Government of the Republic of the Marshall Is-
18 lands may, with respect to United States persons, tax in-
19 come derived from sources within its respective jurisdic-
20 tion, property situated therein, including transfers of such
21 property by gift or at death, and products consumed there-
22 in, in such manner as the Government of the Republic of
23 the Marshall Islands deems appropriate. The determina-
24 tion of the source of any income, or the situs of any prop-
25 erty, shall for purposes of this Compact, as amended, be

1 made according to the United States Internal Revenue
2 Code.

3 Section 253

4 A citizen of the Republic of the Marshall Islands,
5 domiciled therein, shall be exempt from estate, gift, and
6 generation-skipping transfer taxes imposed by the Govern-
7 ment of the United States, provided that such citizen of
8 the Republic of the Marshall Islands is neither a citizen
9 nor a resident of the United States.

10 Section 254

11 (a) In determining any income tax imposed by the
12 Government of the Republic of the Marshall Islands, the
13 Government of the Republic of the Marshall Islands shall
14 have authority to impose tax upon income derived by a
15 resident of the Republic of the Marshall Islands from
16 sources without the Republic of the Marshall Islands, in
17 the same manner and to the same extent as the Govern-
18 ment of the Republic of the Marshall Islands imposes tax
19 upon income derived from within its own jurisdiction. If
20 the Government of the Republic of the Marshall Islands
21 exercises such authority as provided in this subsection,
22 any individual resident of the Republic of the Marshall Is-
23 lands who is subject to tax by the Government of the
24 United States on income which is also taxed by the Gov-
25 ernment of the Republic of the Marshall Islands shall be

1 relieved of liability to the Government of the United States
2 for the tax which, but for this subsection, would otherwise
3 be imposed by the Government of the United States on
4 such income. However, the relief from liability to the
5 United States Government referred to in the preceding
6 sentence means only relief in the form of the foreign tax
7 credit (or deduction in lieu thereof) available with respect
8 to the income taxes of a possession of the United States,
9 and relief in the form of the exclusion under section 911
10 of the Internal Revenue Code of 1986. For purposes of
11 this section, the term “resident of the Republic of the
12 Marshall Islands” shall be deemed to include any person
13 who was physically present in the Republic of the Marshall
14 Islands for a period of 183 or more days during any tax-
15 able year.

16 (b) If the Government of the Republic of the Marshall
17 Islands subjects income to taxation substantially similar
18 to that which was imposed by the Trust Territory Code
19 in effect on January 1, 1980, such Government shall be
20 deemed to have exercised the authority described in sec-
21 tion 254(a).

22 Section 255

23 For purposes of section 274(h)(3)(A) of the U.S. In-
24 ternal Revenue Code of 1986, the term “North American
25 Area” shall include the Republic of the Marshall Islands.

1 TITLE THREE
2 SECURITY AND DEFENSE RELATIONS
3 Article I
4 Authority and Responsibility
5 Section 311

6 (a) The Government of the United States has full au-
7 thority and responsibility for security and defense matters
8 in or relating to the Republic of the Marshall Islands.

9 (b) This authority and responsibility includes:

10 (1) the obligation to defend the Republic of the
11 Marshall Islands and its people from attack or
12 threats thereof as the United States and its citizens
13 are defended;

14 (2) the option to foreclose access to or use of
15 the Republic of the Marshall Islands by military per-
16 sonnel or for the military purposes of any third
17 country; and

18 (3) the option to establish and use military
19 areas and facilities in the Republic of the Marshall
20 Islands, subject to the terms of the separate agree-
21 ments referred to in sections 321 and 323.

22 (c) The Government of the United States confirms
23 that it shall act in accordance with the principles of inter-
24 national law and the Charter of the United Nations in the
25 exercise of this authority and responsibility.

1 Section 312

2 Subject to the terms of any agreements negotiated
3 in accordance with sections 321 and 323, the Government
4 of the United States may conduct within the lands, waters
5 and airspace of the Republic of the Marshall Islands the
6 activities and operations necessary for the exercise of its
7 authority and responsibility under this Title.

8 Section 313

9 (a) The Government of the Republic of the Marshall
10 Islands shall refrain from actions that the Government of
11 the United States determines, after appropriate consulta-
12 tion with that Government, to be incompatible with its au-
13 thority and responsibility for security and defense matters
14 in or relating to the Republic of the Marshall Islands.

15 (b) The consultations referred to in this section shall
16 be conducted expeditiously at senior levels of the two Gov-
17 ernments, and the subsequent determination by the Gov-
18 ernment of the United States referred to in this section
19 shall be made only at senior interagency levels of the Gov-
20 ernment of the United States.

21 (c) The Government of the Republic of the Marshall
22 Islands shall be afforded, on an expeditious basis, an op-
23 portunity to raise its concerns with the United States Sec-
24 retary of State personally and the United States Secretary

1 of Defense personally regarding any determination made
2 in accordance with this section.

3 Section 314

4 (a) Unless otherwise agreed, the Government of the
5 United States shall not, in the Republic of the Marshall
6 Islands:

7 (1) test by detonation or dispose of any nuclear
8 weapon, nor test, dispose of, or discharge any toxic
9 chemical or biological weapon; or

10 (2) test, dispose of, or discharge any other ra-
11 dioactive, toxic chemical or biological materials in an
12 amount or manner that would be hazardous to pub-
13 lic health or safety.

14 (b) Unless otherwise agreed, other than for transit
15 or overflight purposes or during time of a national emer-
16 gency declared by the President of the United States, a
17 state of war declared by the Congress of the United States
18 or as necessary to defend against an actual or impending
19 armed attack on the United States, the Republic of the
20 Marshall Islands or the Federated States of Micronesia,
21 the Government of the United States shall not store in
22 the Republic of the Marshall Islands or the Federated
23 States of Micronesia any toxic chemical weapon, nor any
24 radioactive materials nor any toxic chemical materials in-
25 tended for weapons use.

1 (c) Radioactive, toxic chemical, or biological materials
2 not intended for weapons use shall not be affected by sec-
3 tion 314(b).

4 (d) No material or substance referred to in this sec-
5 tion shall be stored in the Republic of the Marshall Islands
6 except in an amount and manner which would not be haz-
7 ardous to public health or safety. In determining what
8 shall be an amount or manner which would be hazardous
9 to public health or safety under this section, the Govern-
10 ment of the United States shall comply with any applicable
11 mutual agreement, international guidelines accepted by
12 the Government of the United States, and the laws of the
13 United States and their implementing regulations.

14 (e) Any exercise of the exemption authority set forth
15 in section 161(e) shall have no effect on the obligations
16 of the Government of the United States under this section
17 or on the application of this subsection.

18 (f) The provisions of this section shall apply in the
19 areas in which the Government of the Republic of the Mar-
20 shall Islands exercises jurisdiction over the living resources
21 of the seabed, subsoil or water column adjacent to its
22 coasts.

23 Section 315

24 The Government of the United States may invite
25 members of the armed forces of other countries to use

1 military areas and facilities in the Republic of the Mar-
2 shall Islands, in conjunction with and under the control
3 of United States Armed Forces. Use by units of the armed
4 forces of other countries of such military areas and facili-
5 ties, other than for transit and overflight purposes, shall
6 be subject to consultation with and, in the case of major
7 units, approval of the Government of the Republic of the
8 Marshall Islands.

9 Section 316

10 The authority and responsibility of the Government
11 of the United States under this Title may not be trans-
12 ferred or otherwise assigned.

13 Article II

14 Defense Facilities and Operating Rights

15 Section 321

16 (a) Specific arrangements for the establishment and
17 use by the Government of the United States of military
18 areas and facilities in the Republic of the Marshall Islands
19 are set forth in separate agreements, which shall remain
20 in effect in accordance with the terms of such agreements.

21 (b) If, in the exercise of its authority and responsi-
22 bility under this Title, the Government of the United
23 States requires the use of areas within the Republic of
24 the Marshall Islands in addition to those for which specific
25 arrangements are concluded pursuant to section 321(a),

1 it may request the Government of the Republic of the Mar-
2 shall Islands to satisfy those requirements through leases
3 or other arrangements. The Government of the Republic
4 of the Marshall Islands shall sympathetically consider any
5 such request and shall establish suitable procedures to dis-
6 cuss it with and provide a prompt response to the Govern-
7 ment of the United States.

8 (c) The Government of the United States recognizes
9 and respects the scarcity and special importance of land
10 in the Republic of the Marshall Islands. In making any
11 requests pursuant to section 321(b), the Government of
12 the United States shall follow the policy of requesting the
13 minimum area necessary to accomplish the required secu-
14 rity and defense purpose, of requesting only the minimum
15 interest in real property necessary to support such pur-
16 pose, and of requesting first to satisfy its requirement
17 through public real property, where available, rather than
18 through private real property.

19 Section 322

20 The Government of the United States shall provide
21 and maintain fixed and floating aids to navigation in the
22 Republic of the Marshall Islands at least to the extent nec-
23 essary for the exercise of its authority and responsibility
24 under this Title.

25 Section 323

1 The military operating rights of the Government of
2 the United States and the legal status and contractual ar-
3 rangements of the United States Armed Forces, their
4 members, and associated civilians, while present in the Re-
5 public of the Marshall Islands are set forth in separate
6 agreements, which shall remain in effect in accordance
7 with the terms of such agreements.

8 Article III

9 Defense Treaties and International Security Agreements
10 Section 331

11 Subject to the terms of this Compact, as amended,
12 and its related agreements, the Government of the United
13 States, exclusively, has assumed and enjoys, as to the Re-
14 public of the Marshall Islands, all obligations, responsibil-
15 ities, rights and benefits of:

16 (a) Any defense treaty or other international se-
17 curity agreement applied by the Government of the
18 United States as Administering Authority of the
19 Trust Territory of the Pacific Islands as of October
20 20, 1986.

21 (b) Any defense treaty or other international se-
22 curity agreement to which the Government of the
23 United States is or may become a party which it de-
24 termines to be applicable in the Republic of the Mar-
25 shall Islands. Such a determination by the Govern-

1 ment of the United States shall be preceded by ap-
2 propriate consultation with the Government of the
3 Republic of the Marshall Islands.

4 Article IV

5 Service in Armed Forces of the United States

6 Section 341

7 Any person entitled to the privileges set forth in Sec-
8 tion 141 (with the exception of any person described in
9 section 141(a)(5) who is not a citizen of the Republic of
10 the Marshall Islands) shall be eligible to volunteer for serv-
11 ice in the Armed Forces of the United States, but shall
12 not be subject to involuntary induction into military serv-
13 ice of the United States as long as such person has resided
14 in the United States for a period of less than one year,
15 provided that no time shall count towards this one year
16 while a person admitted to the United States under the
17 Compact, or the Compact, as amended, is engaged in full-
18 time study in the United States. Any person described in
19 section 141(a)(5) who is not a citizen of the Republic of
20 the Marshall Islands shall be subject to United States laws
21 relating to selective service.

22 Section 342

23 The Government of the United States shall have en-
24 rolled, at any one time, at least one qualified student from
25 the Republic of the Marshall Islands, as may be nominated

1 by the Government of the Republic of the Marshall Is-
2 lands, in each of:

3 (a) The United States Coast Guard Academy
4 pursuant to 14 U.S.C. 195.

5 (b) The United States Merchant Marine Acad-
6 emy pursuant to 46 U.S.C. 1295(b)(6), provided
7 that the provisions of 46 U.S.C. 1295b(b)(6)(C)
8 shall not apply to the enrollment of students pursu-
9 ant to section 342(b) of this Compact, as amended.

10 Article V

11 General Provisions

12 Section 351

13 (a) The Government of the United States and the
14 Government of the Republic of the Marshall Islands shall
15 continue to maintain a Joint Committee empowered to
16 consider disputes arising under the implementation of this
17 Title and its related agreements.

18 (b) The membership of the Joint Committee shall
19 comprise selected senior officials of the two Governments.
20 The senior United States military commander in the Pa-
21 cific area shall be the senior United States member of the
22 Joint Committee. For the meetings of the Joint Com-
23 mittee, each of the two Governments may designate addi-
24 tional or alternate representatives as appropriate for the
25 subject matter under consideration.

1 (c) Unless otherwise mutually agreed, the Joint Com-
2 mittee shall meet annually at a time and place to be des-
3 ignated, after appropriate consultation, by the Govern-
4 ment of the United States. The Joint Committee also shall
5 meet promptly upon request of either of its members. The
6 Joint Committee shall follow such procedures, including
7 the establishment of functional subcommittees, as the
8 members may from time to time agree. Upon notification
9 by the Government of the United States, the Joint Com-
10 mittee of the United States and the Republic of the Mar-
11 shall Islands shall meet promptly in a combined session
12 with the Joint Committee established and maintained by
13 the Government of the United States and the Government
14 of the Federated States of Micronesia to consider matters
15 within the jurisdiction of the two Joint Committees.

16 (d) Unresolved issues in the Joint Committee shall
17 be referred to the Governments for resolution, and the
18 Government of the Republic of the Marshall Islands shall
19 be afforded, on an expeditious basis, an opportunity to
20 raise its concerns with the United States Secretary of De-
21 fense personally regarding any unresolved issue which
22 threatens its continued association with the Government
23 of the United States.

24 Section 352

1 In the exercise of its authority and responsibility
2 under Title Three, the Government of the United States
3 shall accord due respect to the authority and responsibility
4 of the Government of the Republic of the Marshall Islands
5 under Titles One, Two and Four and to the responsibility
6 of the Government of the Republic of the Marshall Islands
7 to assure the well-being of its people.

8 Section 353

9 (a) The Government of the United States shall not
10 include the Government of the Republic of the Marshall
11 Islands as a named party to a formal declaration of war,
12 without that Government's consent.

13 (b) Absent such consent, this Compact, as amended,
14 is without prejudice, on the ground of belligerence or the
15 existence of a state of war, to any claims for damages
16 which are advanced by the citizens, nationals or Govern-
17 ment of the Republic of the Marshall Islands, which arise
18 out of armed conflict subsequent to October 21, 1986, and
19 which are:

20 [(5)] petitions to the Government of the
21 United States for redress; or

22 [(6)] claims in any manner against the govern-
23 ment, citizens, nationals or entities of any third
24 country.

1 (c) Petitions under section 353(b)(1) shall be treated
2 as if they were made by citizens of the United States.

3 Section 354

4 (a) The Government of the United States and the
5 Government of the Republic of the Marshall Islands are
6 jointly committed to continue their security and defense
7 relations, as set forth in this Title. Accordingly, it is the
8 intention of the two countries that the provisions of this
9 Title shall remain binding as long as this Compact, as
10 amended, remains in effect, and thereafter as mutually
11 agreed, unless earlier terminated by mutual agreement
12 pursuant to section 441, or amended pursuant to Article
13 III of Title Four. If at any time the Government of the
14 United States, or the Government of the Republic of the
15 Marshall Islands, acting unilaterally, terminates this Title,
16 such unilateral termination shall be considered to be ter-
17 mination of the entire Compact, as amended, in which case
18 the provisions of section 442 and 452 (in the case of ter-
19 mination by the Government of the United States) or sec-
20 tions 443 and 453 (in the case of termination by the Gov-
21 ernment of the Republic of the Marshall Islands), with the
22 exception of paragraph (3) of subsection (a) of section 452
23 or paragraph (3) of subsection (a) of section 453, as the
24 case may be, shall apply.

1 (b) The Government of the United States recognizes,
2 in view of the special relationship between the Government
3 of the United States and the Government of the Republic
4 of the Marshall Islands, and in view of the existence of
5 the separate agreement regarding mutual security con-
6 cluded with the Government of the Republic of the Mar-
7 shall Islands pursuant to sections 321 and 323, that, even
8 if this Title should terminate, any attack on the Republic
9 of the Marshall Islands during the period in which such
10 separate agreement is in effect, would constitute a threat
11 to the peace and security of the entire region and a danger
12 to the United States. In the event of such an attack, the
13 Government of the United States would take action to
14 meet the danger to the United States and to the Republic
15 of the Marshall Islands in accordance with its constitu-
16 tional processes.

17 (c) As reflected in Article 21(1)(b) of the Trust Fund
18 Agreement, the Government of the United States and the
19 Government of the Republic of the Marshall Islands fur-
20 ther recognize, in view of the special relationship between
21 their countries, that even if this Title should terminate,
22 the Government of Republic of the Marshall Islands shall
23 refrain from actions which the Government of the United
24 States determines, after appropriate consultation with
25 that Government, to be incompatible with its authority

1 and responsibility for security and defense matters in or
2 relating to the Republic of the Marshall Islands or the
3 Federated States of Micronesia.

4 TITLE FOUR

5 GENERAL PROVISIONS

6 Article I

7 Approval and Effective Date

8 Section 411

9 Pursuant to section 432 of the Compact and subject
10 to subsection (e) of section 461 of the Compact, as amend-
11 ed, the Compact, as amended, shall come into effect upon
12 mutual agreement between the Government of the United
13 States and the Government of the Republic of the Mar-
14 shall Islands subsequent to completion of the following:

15 (a) Approval by the Government of the Repub-
16 lic of the Marshall Islands in accordance with its
17 constitutional processes.

18 (b) Approval by the Government of the United
19 States in accordance with its constitutional proc-
20 esses.

21 Article II

22 Conference and Dispute Resolution

23 Section 421

24 The Government of the United States shall confer
25 promptly at the request of the Government of the Republic

1 of the Marshall Islands and that Government shall confer
2 promptly at the request of the Government of the United
3 States on matters relating to the provisions of this Com-
4 pact, as amended, or of its related agreements.

5 Section 422

6 In the event the Government of the United States or
7 the Government of the Republic of the Marshall Islands,
8 after conferring pursuant to section 421, determines that
9 there is a dispute and gives written notice thereof, the two
10 Governments shall make a good faith effort to resolve the
11 dispute between themselves.

12 Section 423

13 If a dispute between the Government of the United
14 States and the Government of the Republic of the Mar-
15 shall Islands cannot be resolved within 90 days of written
16 notification in the manner provided in section 422, either
17 party to the dispute may refer it to arbitration in accord-
18 ance with section 424.

19 Section 424

20 Should a dispute be referred to arbitration as pro-
21 vided for in section 423, an Arbitration Board shall be
22 established for the purpose of hearing the dispute and ren-
23 dering a decision which shall be binding upon the two par-
24 ties to the dispute unless the two parties mutually agree

1 that the decision shall be advisory. Arbitration shall occur
2 according to the following terms:

3 (a) An Arbitration Board shall consist of a
4 Chairman and two other members, each of whom
5 shall be a citizen of a party to the dispute. Each of
6 the two Governments that is a party to the dispute
7 shall appoint one member to the Arbitration Board.
8 If either party to the dispute does not fulfill the ap-
9 pointment requirements of this section within 30
10 days of referral of the dispute to arbitration pursu-
11 ant to section 423, its member on the Arbitration
12 Board shall be selected from its own standing list by
13 the other party to the dispute. Each Government
14 shall maintain a standing list of 10 candidates. The
15 parties to the dispute shall jointly appoint a Chair-
16 man within 15 days after selection of the other
17 members of the Arbitration Board. Failing agree-
18 ment on a Chairman, the Chairman shall be chosen
19 by lot from the standing lists of the parties to the
20 dispute within 5 days after such failure.

21 (b) Unless otherwise provided in this Compact,
22 as amended, or its related agreements, the Arbitra-
23 tion Board shall have jurisdiction to hear and render
24 its final determination on all disputes arising exclu-
25 sively under Articles I, II, III, IV and V of Title

1 One, Title Two, Title Four, and their related agree-
2 ments.

3 (c) Each member of the Arbitration Board shall
4 have one vote. Each decision of the Arbitration
5 Board shall be reached by majority vote.

6 (d) In determining any legal issue, the Arbitra-
7 tion Board may have reference to international law
8 and, in such reference, shall apply as guidelines the
9 provisions set forth in Article 38 of the Statute of
10 the International Court of Justice.

11 (e) The Arbitration Board shall adopt such
12 rules for its proceedings as it may deem appropriate
13 and necessary, but such rules shall not contravene
14 the provisions of this Compact, as amended. Unless
15 the parties provide otherwise by mutual agreement,
16 the Arbitration Board shall endeavor to render its
17 decision within 30 days after the conclusion of argu-
18 ments. The Arbitration Board shall make findings of
19 fact and conclusions of law and its members may
20 issue dissenting or individual opinions. Except as
21 may be otherwise decided by the Arbitration Board,
22 one-half of all costs of the arbitration shall be borne
23 by the Government of the United States and the re-
24 mainder shall be borne by the Government of the
25 Republic of the Marshall Islands.

1 Article III

2 Amendment

3 Section 431

4 The provisions of this Compact, as amended, may be
5 further amended by mutual agreement of the Government
6 of the United States and the Government of the Republic
7 of the Marshall Islands, in accordance with their respec-
8 tive constitutional processes.

9 Article IV

10 Termination

11 Section 441

12 This Compact, as amended, may be terminated by
13 mutual agreement of the Government of the Republic of
14 the Marshall Islands and the Government of the United
15 States, in accordance with their respective constitutional
16 processes. Such mutual termination of this Compact, as
17 amended, shall be without prejudice to the continued ap-
18 plication of section 451 of this Compact, as amended, and
19 the provisions of the Compact, as amended, set forth
20 therein.

21 Section 442

22 Subject to section 452, this Compact, as amended,
23 may be terminated by the Government of the United
24 States in accordance with its constitutional processes.
25 Such termination shall be effective on the date specified

1 in the notice of termination by the Government of the
2 United States but not earlier than six months following
3 delivery of such notice. The time specified in the notice
4 of termination may be extended. Such termination of this
5 Compact, as amended, shall be without prejudice to the
6 continued application of section 452 of this Compact, as
7 amended, and the provisions of the Compact, as amended,
8 set forth therein.

9 Section 443

10 This Compact, as amended, shall be terminated by
11 the Government of the Republic of the Marshall Islands,
12 pursuant to its constitutional processes, subject to section
13 453 if the people represented by that Government vote in
14 a plebiscite to terminate the Compact. The Government
15 of the Republic of the Marshall Islands shall notify the
16 Government of the United States of its intention to call
17 such a plebiscite, which shall take place not earlier than
18 three months after delivery of such notice. The plebiscite
19 shall be administered by the Government of the Republic
20 of the Marshall Islands in accordance with its constitu-
21 tional and legislative processes, but the Government of the
22 United States may send its own observers and invite ob-
23 servers from a mutually agreed party. If a majority of the
24 valid ballots cast in the plebiscite favors termination, the
25 Government of the Republic of the Marshall Islands shall,

1 upon certification of the results of the plebiscite, give no-
2 tice of termination to the Government of the United
3 States, such termination to be effective on the date speci-
4 fied in such notice but not earlier than three months fol-
5 lowing the date of delivery of such notice. The time speci-
6 fied in the notice of termination may be extended.

7 Article V

8 Survivability

9 Section 451

10 (a) Should termination occur pursuant to section
11 441, economic and other assistance by the Government of
12 the United States shall continue only if and as mutually
13 agreed by the Governments of the United States and the
14 Republic of the Marshall Islands, and in accordance with
15 the countries' respective constitutional processes.

16 (b) In view of the special relationship of the United
17 States and the Republic of the Marshall Islands, as re-
18 flected in subsections (b) and (c) of section 354 of this
19 Compact, as amended, and the separate agreement en-
20 tered into consistent with those subsections, if termination
21 occurs pursuant to section 441 prior to the twentieth anni-
22 versary of the effective date of this Compact, as amended,
23 the United States shall continue to make contributions to
24 the Trust Fund described in section 216 of this Compact,
25 as amended.

1 (c) In view of the special relationship of the United
2 States and the Republic of the Marshall Islands described
3 in subsection (b) of this section, if termination occurs pur-
4 suant to section 441 following the twentieth anniversary
5 of the effective date of this Compact, as amended, the Re-
6 public of the Marshall Islands shall be entitled to receive
7 proceeds from the Trust Fund described in section 216
8 of this Compact, as amended, in the manner described in
9 those provisions and the Trust Fund Agreement.

10 Section 452

11 (a) Should termination occur pursuant to section 442
12 prior to the twentieth anniversary of the effective date of
13 this Compact, as amended, the following provisions of this
14 amended Compact shall remain in full force and effect
15 until the twentieth anniversary of the effective date of this
16 Compact, as amended, and thereafter as mutually agreed:

17 (1) Article VI and sections 172, 173, 176 and
18 177 of Title One;

19 (2) Article One and sections 232 and 234 of
20 Title Two;

21 (3) Title Three; and

22 (4) Articles II, III, V and VI of Title Four.

23 (b) Should termination occur pursuant to section 442
24 before the twentieth anniversary of the effective date of
25 this Compact, as amended:

1 (1) Except as provided in paragraph (2) of this
2 subsection and subsection (c) of this section, eco-
3 nomic and other assistance by the United States
4 shall continue only if and as mutually agreed by the
5 Governments of the United States and the Republic
6 of the Marshall Islands.

7 (2) In view of the special relationship of the
8 United States and the Republic of the Marshall Is-
9 lands, as reflected in subsections (b) and (c) of sec-
10 tion 354 of this Compact, as amended, and the sepa-
11 rate agreement regarding mutual security, and the
12 Trust Fund Agreement, the United States shall con-
13 tinue to make contributions to the Trust Fund de-
14 scribed in section 216 of this Compact, as amended,
15 in the manner described in the Trust Fund Agree-
16 ment.

17 (c) In view of the special relationship of the United
18 States and the Republic of the Marshall Islands, as re-
19 flected in subsections 354(b) and (c) of this Compact, as
20 amended, and the separate agreement regarding mutual
21 security, and the Trust Fund Agreement, if termination
22 occurs pursuant to section 442 following the twentieth an-
23 niversary of the effective date of this Compact, as amend-
24 ed, the Republic of the Marshall Islands shall continue to
25 be eligible to receive proceeds from the Trust Fund de-

1 scribed in section 216 of this Compact, as amended, in
2 the manner described in those provisions and the Trust
3 Fund Agreement.

4 Section 453

5 (a) Should termination occur pursuant to section 443
6 prior to the twentieth anniversary of the effective date of
7 this Compact, as amended, the following provisions of this
8 Compact, as amended, shall remain in full force and effect
9 until the twentieth anniversary of the effective date of this
10 Compact, as amended, and thereafter as mutually agreed:

11 (1) Article VI and sections 172, 173, 176 and
12 177 of Title One;

13 (2) Sections 232 and 234 of Title Two;

14 (3) Title Three; and

15 (4) Articles II, III, V and VI of Title Four.

16 (b) Upon receipt of notice of termination pursuant
17 to section 443, the Government of the United States and
18 the Government of the Republic of the Marshall Islands
19 shall promptly consult with regard to their future relation-
20 ship. Except as provided in subsections (c) and (d) of this
21 section, these consultations shall determine the level of
22 economic and other assistance, if any, which the Govern-
23 ment of the United States shall provide to the Government
24 of the Republic of the Marshall Islands for the period end-
25 ing on the twentieth anniversary of the effective date of

1 this Compact, as amended, and for any period thereafter,
2 if mutually agreed.

3 (c) In view of the special relationship of the United
4 States and the Republic of the Marshall Islands, as re-
5 flected in subsections 354(b) and (c) of this Compact, as
6 amended, and the separate agreement regarding mutual
7 security, and the Trust Fund Agreement, if termination
8 occurs pursuant to section 443 prior to the twentieth anni-
9 versary of the effective date of this Compact, as amended,
10 the United States shall continue to make contributions to
11 the Trust Fund described in section 216 of this Compact,
12 as amended.

13 (d) In view of the special relationship of the United
14 States and the Republic of the Marshall Islands, as re-
15 flected in subsections 354(b) and (c) of this Compact, as
16 amended, and the separate agreement regarding mutual
17 security, and the Trust Fund Agreement, if termination
18 occurs pursuant to section 443 following the twentieth an-
19 niversary of the effective date of this Compact, as amend-
20 ed, the Republic of the Marshall Islands shall continue to
21 be eligible to receive proceeds from the Trust Fund de-
22 scribed in section 216 of this Compact, as amended, in
23 the manner described in those provisions and the Trust
24 Fund Agreement.

25 Section 454

(a) The Government of the United States reaffirms its continuing interest in promoting the economic advancement and budgetary self-reliance of the people of the Republic of the Marshall Islands.

10 Article VI

12 Section 461

(a) “Trust Territory of the Pacific Islands” means the area established in the Trusteeship Agreement consisting of the former administrative districts of Kosrae, Yap, Ponape, the Marshall Islands and Truk as described in Title One, Trust Territory Code, section 1, in force on January 1,

1 1979. This term does not include the area of Palau
2 or the Northern Mariana Islands.

3 (b) “Trusteeship Agreement” means the agree-
4 ment setting forth the terms of trusteeship for the
5 Trust Territory of the Pacific Islands, approved by
6 the Security Council of the United Nations April 2,
7 1947, and by the United States July 18, 1947, en-
8 tered into force July 18, 1947, 61 Stat. 3301,
9 T.I.A.S. 1665, 8 U.N.T.S. 189.

10 (c) “The Republic of the Marshall Islands” and
11 “the Federated States of Micronesia” are used in a
12 geographic sense and include the land and water
13 areas to the outer limits of the territorial sea and
14 the air space above such areas as now or hereafter
15 recognized by the Government of the United States.

16 (d) “Compact” means the Compact of Free As-
17 sociation Between the United States and the Fed-
18 erated States of Micronesia and the Marshall Is-
19 lands, that was approved by the United States Con-
20 gress in section 201 of Public Law 99–239 (Jan. 14,
21 1986) and went into effect with respect to the Re-
22 public of the Marshall Islands on October 21, 1986.

23 (e) “Compact, as amended” means the Com-
24 pact of Free Association Between the United States
25 and the Republic of the Marshall Islands, as amend-

1 ed. The effective date of the Compact, as amended,
2 shall be on a date to be determined by the President
3 of the United States, and agreed to by the Govern-
4 ment of the Republic of the Marshall Islands, fol-
5 lowing formal approval of the Compact, as amended,
6 in accordance with section 411 of this Compact, as
7 amended.

8 (f) “Government of the Republic of the Mar-
9 shall Islands” means the Government established
10 and organized by the Constitution of the Republic of
11 the Marshall Islands including all the political sub-
12 divisions and entities comprising that Government.

13 (g) “Government of the Federated States of Mi-
14 cronisia” means the Government established and or-
15 ganized by the Constitution of the Federated States
16 of Micronesia including all the political subdivisions
17 and entities comprising that Government.

18 (h) The following terms shall be defined con-
19 sistent with the 1978 Edition of the Radio Regula-
20 tions of the International Telecommunications as fol-
21 lows:

22 (1) “Radiocommunication” means tele-
23 communication by means of radio waves.

24 (2) “Station” means one or more transmit-
25 ters or receivers or a combination of transmit-

1 ters and receivers, including the accessory
2 equipment, necessary at one location for car-
3 rying on a radiocommunication service, or the
4 radio astronomy service.

5 (3) “Broadcasting Service” means a
6 radiocommunication service in which the trans-
7 missions are intended for direct reception by
8 the general public. This service may include
9 sound transmissions, television transmissions or
10 other types of transmission.

11 (4) “Broadcasting Station” means a sta-
12 tion in the broadcasting service.

13 (5) “Assignment (of a radio frequency or
14 radio frequency channel)” means an authoriza-
15 tion given by an administration for a radio sta-
16 tion to use a radio frequency or radio frequency
17 channel under specified conditions.

18 (6) “Telecommunication” means any
19 transmission, emission or reception of signs,
20 signals, writings, images and sounds or intel-
21 ligence of any nature by wire, radio, optical or
22 other electromagnetic systems.

23 (i) “Military Areas and Facilities” means those
24 areas and facilities in the Republic of the Marshall
25 Islands reserved or acquired by the Government of

1 the Republic of the Marshall Islands for use by the
2 Government of the United States, as set forth in the
3 separate agreements referred to in section 321.

4 (j) “Tariff Schedules of the United States”
5 means the Tariff Schedules of the United States as
6 amended from time to time and as promulgated pur-
7 suant to United States law and includes the Tariff
8 Schedules of the United States Annotated (TSUSA),
9 as amended.

10 (k) “Vienna Convention on Diplomatic Rela-
11 tions” means the Vienna Convention on Diplomatic
12 Relations, done April 18, 1961, 23 U.S.T. 3227,
13 T.I.A.S. 7502, 500 U.N.T.S. 95.

14 Section 462

15 (a) The Government of the United States and the
16 Government of the Republic of the Marshall Islands pre-
17 viously have concluded agreements, which shall remain in
18 effect and shall survive in accordance with their terms,
19 as follows:

20 (1) Agreement Between the Government of the
21 United States and the Government of the Marshall
22 Islands for the Implementation of Section 177 of the
23 Compact of Free Association;

24 (2) Agreement Between the Government of the
25 United States and the Government of the Marshall

1 Islands by Persons Displaced as a Result of the
2 United States Nuclear Testing Program in the Mar-
3 shall Islands;

4 (3) Agreement Between the Government of the
5 United States and the Government of the Marshall
6 Islands Regarding the Resettlement of Enjebi Is-
7 land;

8 (4) Agreement Concluded Pursuant to Section
9 234 of the Compact; and

10 (5) Agreement Between the Government of the
11 United States and the Government of the Marshall
12 Islands Regarding Mutual Security Concluded Pur-
13 suant to Sections 321 and 323 of the Compact of
14 Free Association.

15 (b) The Government of the United States and the
16 Government of the Republic of the Marshall Islands shall
17 conclude prior to the date of submission of this Compact
18 to the legislatures of the two countries, the following re-
19 lated agreements which shall come into effect on the effec-
20 tive date of this Compact, as amended, and shall survive
21 in accordance with their terms, as follows:

22 (1) Federal Programs and Services Agreement
23 Between the Government of the United States of
24 America and the Government of the Republic of the
25 Marshall Islands Concluded Pursuant to Article III

1 of Title One, Article II of Title Two (including Sec-
2 tion 222), and Section 231 of the Compact of Free
3 Association, as Amended, which include:

4 (i) Postal Services and Related Programs;

5 (ii) Weather Services and Related Pro-
6 grams;

7 (iii) Civil Aviation Safety Service and Re-
8 lated Programs;

9 (iv) Civil Aviation Economic Services and
10 Related Programs;

11 (v) United States Disaster Preparedness
12 and Response Services and Related Programs;
13 and

14 (vi) Telecommunications Services and Re-
15 lated Programs.

16 (2) Agreement Between the Government of the
17 United States of America and the Government of
18 the Republic of the Marshall Islands on Extradition,
19 Mutual Assistance in Law Enforcement Matters and
20 Penal Sanctions Concluded Pursuant to Section 175
21 (a) of the Compact of Free Association, as Amend-
22 ed;

23 (3) Agreement Between the Government of the
24 United States of America and the Government of
25 the Republic of the Marshall Islands on Labor Re-

1 ruitment Concluded Pursuant to Section 175 (b) of
2 the Compact of Free Association, as Amended;

3 (4) Agreement Concerning Procedures for the
4 Implementation of United States Economic Assist-
5 ance Provided in the Compact, as Amended, of Free
6 Association Between the Government of the United
7 States of America and the Government of the Re-
8 public of the Marshall Islands;

9 (5) Agreement Between the Government of the
10 United States of America and the Government of
11 the Republic of the Marshall Islands Implementing
12 Section 216 and Section 217 of the Compact, as
13 Amended, Regarding a Trust Fund;

14 (6) Agreement Regarding the Military Use and
15 Operating Rights of the Government of the United
16 States in the Republic of the Marshall Islands Con-
17 cluded Pursuant to Sections 321 and 323 of the
18 Compact of Free Association, as Amended; and,

19 (7) Status of Forces Agreement Between the
20 Government of the United States of America and
21 the Government of the Republic of the Marshall Is-
22 lands Concluded Pursuant to Section 323 of the
23 Compact of Free Association, as Amended.

24 Section 463

1 (a) Except as set forth in subsection (b) of this sec-
2 tion, any reference in this Compact, as amended, to a pro-
3 vision of the United States Code or the Statutes at Large
4 of the United States constitutes the incorporation of the
5 language of such provision into this Compact, as amended,
6 as such provision was in force on the effective date of this
7 Compact, as amended.

8 (b) Any reference in Article IV and VI of Title One,
9 and Sections 174, 175, 178 and 342 to a provision of the
10 United States Code or the Statutes at Large of the United
11 States or to the Privacy Act, the Freedom of Information
12 Act, the Administrative Procedure Act or the Immigration
13 and Nationality Act constitutes the incorporation of the
14 language of such provision into this Compact, as amended,
15 as such provision was in force on the effective date of this
16 Compact, as amended, or as it may be amended thereafter
17 on a non-discriminatory basis according to the constitu-
18 tional processes of the United States.

19 Article VII

20 Concluding Provisions

21 Section 471

22 Both the Government of the United States and the
23 Government of the Republic of the Marshall Islands shall
24 take all necessary steps, of a general or particular char-
25 acter, to ensure, no later than the entry into force date

1 of this Compact, as amended, the conformity of its laws,
 2 regulations and administrative procedures with the provi-
 3 sions of this Compact, as amended, or, in the case of sub-
 4 section (d) of section 141, as soon as reasonably possible
 5 thereafter.

6 Section 472

7 This Compact, as amended, may be accepted, by sig-
 8 nature or otherwise, by the Government of the United
 9 States and the Government of the Republic of the Mar-
 10 shall Islands.

11 IN WITNESS WHEREOF, the undersigned, duly
 12 authorized, have signed this Compact of Free Association,
 13 as amended, which shall enter into force upon the ex-
 14 change of diplomatic notes by which the Government of
 15 the United States of America and the Government of the
 16 Republic of the Marshall Islands inform each other about
 17 the fulfillment of their respective requirements for entry
 18 into force.

19 DONE at Majuro, Republic of the Marshall Islands,
 20 in duplicate, this thirtieth (30) day of April, 2003, each
 21 text being equally authentic.

Signed (May 14, 2003)
For the Government of the
United States of America:

Signed (May 14, 2003)
For the Government of the
Federated States of
Micronesia:

Approved _____, 2003.

Calendar No. 299

108TH CONGRESS
1ST SESSION

S. J. RES. 16

[Report No. 108–159]

JOINT RESOLUTION

To approve the “Compact of Free Association, as amended between the Government of the United States of America and the Government of the Federated States of Micronesia”, and the “Compact of Free Association, as amended between the Government of the United States of America and the Government of the Republic of the Marshall Islands”, and otherwise to amend Public Law 99–239, and to appropriate for the purposes of amended Public Law 99–239 for fiscal years ending on or before September 30, 2023, and for other purposes.

OCTOBER 1, 2003

Reported with amendments and an amendment to the
preamble